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THE NATION'S BUSINESS

October
1923



Mr. E. L. Phillips,
50 Church Street,
New York, N. Y.

Transportation, Our Chief Problem

A Conference of All Interests—Rail, Water,
Truck; Farmer, Worker, Shipper—*By Lowell Mellett*

The Muddle of Railroad Rates—*By Robert S. Henry*

The Case of the Assigned Car—*By Howard Wheeler*

Getting Seller and Buyer Together

Being the First of a New Series on Distribution

England's Fight for Foreign Trade

The First of Six Articles by Frederick Simpich

Couldn't Make City-Run Ferry Pay

But Freed of Politics the Same Manager Made Money

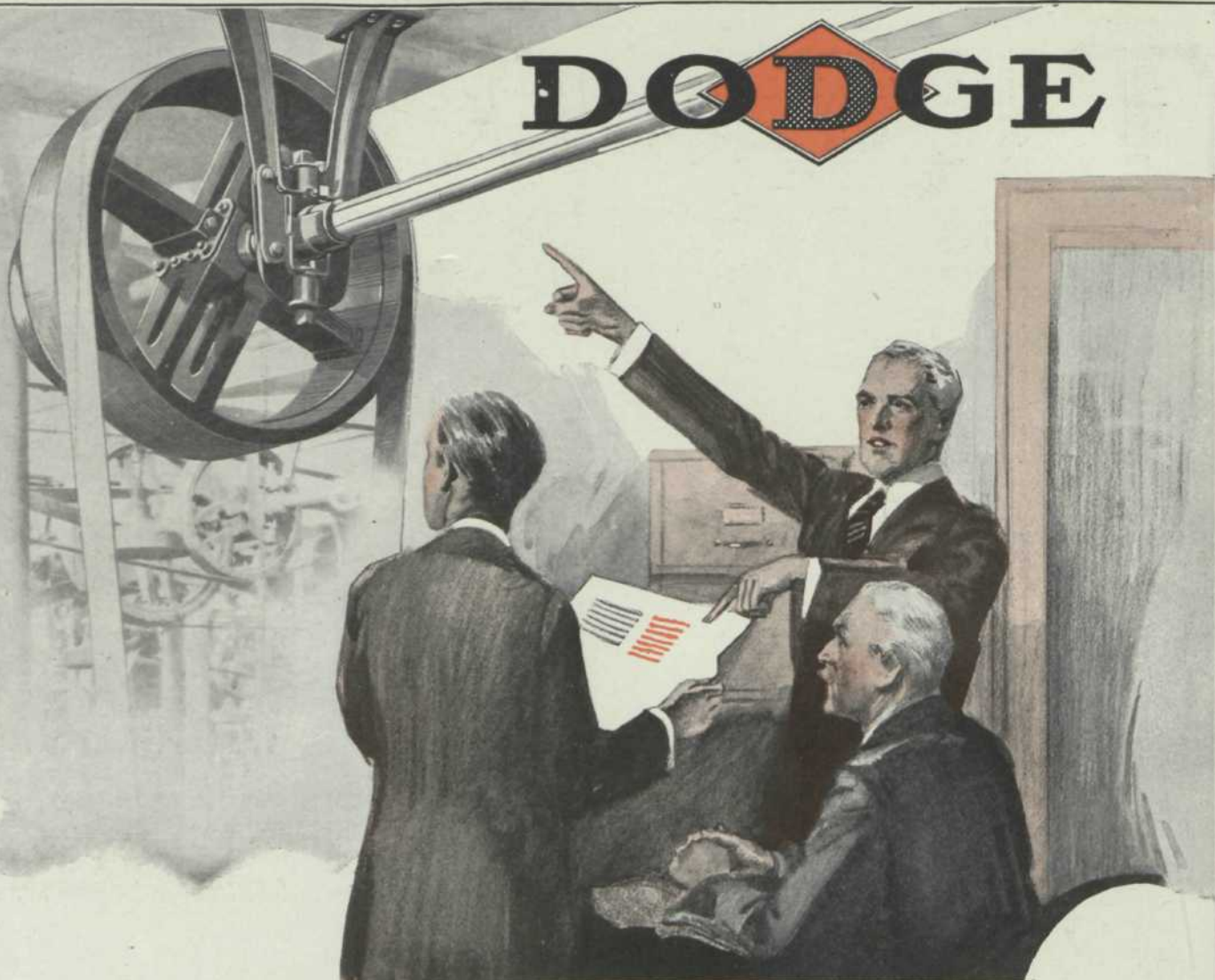
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Published by the Chamber of Commerce of the United States

MORE THAN 118,000 CIRCULATION

DODGE



"Up there is where we cut production costs"

SUSPENDED from the ceiling in *your* factory may be a thief that is responsible in part for the red ink figures on *your* monthly balance sheet.

Look up and see for yourself what kind of material has been put into your road-bed-of-power. That road-bed has a tremendous bearing on power costs.

Dodge transmitting machinery insures balanced power; balanced power means less friction; less friction means lower costs. Lower costs mean increased profits.

Thousands of factories in which Dodge power transmitting units have been adopted as standard are proving Dodge economy on the monthly balance sheet.

Dodge stock products can be purchased from local dealers on the immediate delivery basis. Consult us on specifications for special equipment—Dodge service stops at neither size or weight.

DODGE MANUFACTURING CORPORATION

General Offices: Mishawaka, Ind.

Works: Mishawaka, Ind., and Oneida, N. Y.

EVERYTHING FOR THE MECHANICAL TRANSMISSION OF

Branches: New York
Atlanta

Philadelphia
Minneapolis

Pittsburgh
St. Louis

Boston
Houston

Cincinnati
Seattle

Newark
San Francisco

Power

A Message to the Business Executive from

TRUSCON

TRUSCON
STEEL
CO.

7—A series of advertisements on better buildings for one- and two-story industrial uses—made to order from standard stock units—with resulting economy in cost and time of erection.

SIMPLIFICATION

The Expression of an epoch-making Advance in Low Cost, Permanent and Fireproof Building Construction

The word SIMPLIFICATION, as it is used in the subject matter of this message, defines our conception of a new and progressive trend in industrial building development.

Standardization has taken innumerable building products, refining them and regulating their design and processes of manufacture, so as to produce them on a quantity basis at low cost. Standardization clarifies the issue involved in considerations of economy, but it does not necessarily reduce the number of units in a building operation.

Standardization achieves its ultimate aim when these individual accomplishments are grouped and co-ordinated, and are made subject to one control to obtain maximum efficiency and economy.

Simplification is the refinement of standardization, just as standardization is the instrument by which a multiplicity of building practices have been resolved into a reduced number of accepted standards.

Simplification is concerned with the reduction of the number of units which enter into building construction, so that the entire structure, regarded as the major unit, can be designed, manufactured and erected with the least amount of waste effort, in the shortest possible time, and at lowest material and labor cost.

The Truscon method of building construction resolves itself into the standardization of the largest unit—the building itself—and not alone the development of the individual units of which it is composed. This method conceives of ultimate building economy as the reduction of an infinite number of special building forms to a few fundamental types which can be accepted for all practical needs. These types include one and two-story buildings of any size; with pitched, monitor, or saw-tooth roof; any arrangement of windows and doors; made from standardized units to meet your exact needs.

Simplification, as it applies to the

Truscon plan of operation, delivers to you a completely shop-fabricated building requiring only the labor of assembling large unit sections on the building site. No manufacturing, fabricating, or lost motion is demanded of field labor.

The building, when it reaches the place of erection, has had every element of manufacturing performed upon it by engineering and mechanical experts, working under modern machine efficiency. Hence your building, on which the greatest proportion of labor is factory controlled, can be made and erected at lowest cost of any fireproof construction of similar quality and durability.

Simplification is the lesson learned from standardization, in which the ultimate economies developed in Truscon Standard Buildings, are effected by reducing the building problem to two major operations.

1—Central control of the manufacture of the complete structure, considered as a single unit, with attending maximum efficiency of labor and materials used in its construction.

We have prepared for Business Executives a Series of Brochures on Truscon Standard Buildings. We want you to know the facts about this economical building construction. Send us your name on business stationery and receive your copies as they are issued. It entails no obligation.

2—Quick delivery and speedy erection of the structure with minimum time and cost of field labor, which is engaged only in the assembly of large, pre-fabricated unit sections.

TRUSCON STEEL COMPANY, YOUNGSTOWN, O.

Two-Story Building 100 x 208 ft
Erected in 36 Days



OTTAWA RIVER PAPER CO., TOLEDO, O.

One Dollar per Square Foot
Erects this Type 2 Building



\$5084 will erect this Truscon Copper Steel Building exclusive of floor and foundations in average locations east of the Mississippi. This is a Type 2 building. Width, 50 ft.; length, 100 ft.; height to eaves, 10 ft. 9 in. This low cost is typical of all kinds of Truscon Standard Buildings.

This building includes:—steel framing; 18 gauge copper steel roofing and siding; 33 ventilating Truscon steel windows, three lights wide and five lights high, 14" x 18" glass size (glazed complete); three rotary head ventilators in roof; two 8' x 6' steel sliding doors, two leaves each with tubular rails, stiles, steel panels and glazed sash, with necessary hardware. Price includes one shop coat of paint, glazing and erection. Heating, lighting and other equipment not included.

Send for Full Information

Ask for prices on other buildings. We furnish these buildings in all sizes with pitched, monitor and saw-toothed roof, and with any desired arrangement of windows and doors. An individually designed building to fit your exact needs, yet made of standardized parts.

TRUSCON STEEL COMPANY, YOUNGSTOWN, OHIO—U.S.A.

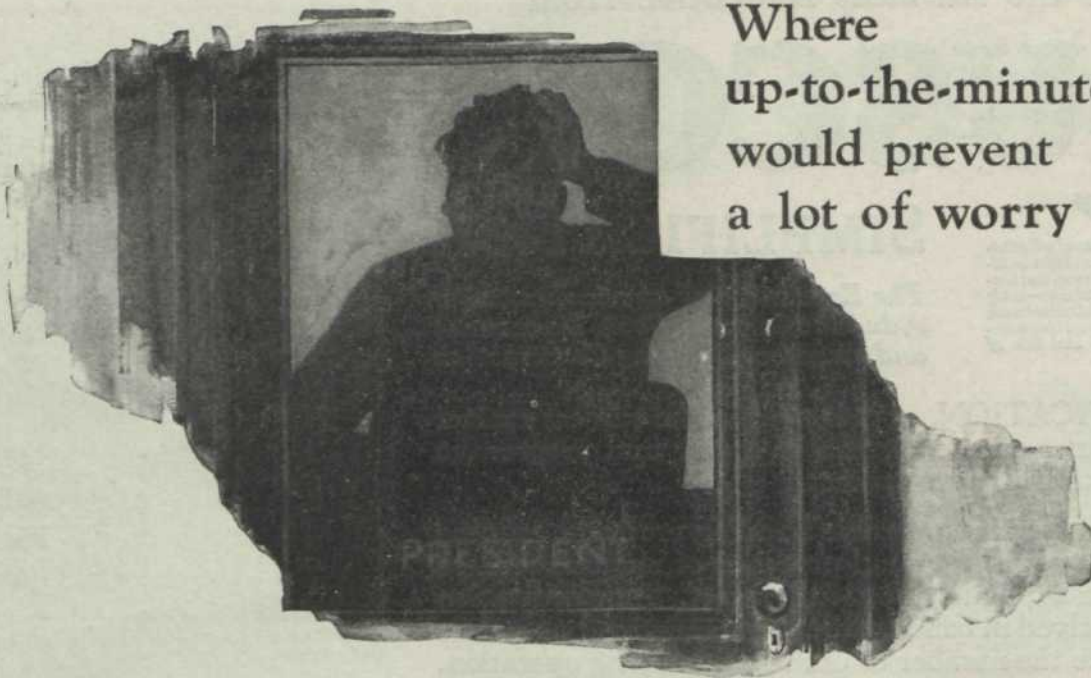
Warehouses and Offices from Pacific to Atlantic. For addresses see 'phone books of principal cities. Canada: Walkerville, Ont. Export Div.: New York

Send useful building book and suggestions on building to be used for—

Type.....Length.....Width.....Height.....

Name.....

Address..... (NB-10)



Where
up-to-the-minute figures
would prevent
a lot of worry

HERE is a picture of the chief owner of a busy manufacturing firm. They are handling a greater volume of business than ever before in their history. And yet he is worried and discouraged.

Their accounting facilities are inadequate to cope with the volume. Collections are slow and the work is piled up so that he can't tell his present financial position. Control has slipped from his grasp.

Elliott-Fisher would not permit such a condition to arise.

Elliott-Fisher puts accounting on a time-clock basis

With Elliott-Fisher, the necessary detailed accounting information would be delivered into this executive's hands *daily*.

ELLIOTT-FISHER CO., 342 Madison Ave. at 43rd St., New York

Branch Offices in Every Important City in the United States and Canada

Elliott-Fisher produces the equivalent of many clerks' labor in a single, simple operation, securing instant, visible proof of accuracy as an incidental by-product.

Regardless of what they are, your accounting records should be prompt, neat, and correct.

Elliott-Fisher is the premier of accounting machines and it has kept a step ahead of the trend of progress through thirty strenuous years. Countless tests have demonstrated Elliott-Fisher superiority.

* * *

Let an Elliott-Fisher representative explain how Elliott-Fisher Machines might help you. We will send a man who knows both accounting and your kind of business. An interview is without obligation on your part and may prove well worth while.

The
ELLIOTT-FISHER IDEA

Elliott-Fisher best meets the requirements of modern accounting by furnishing:

INSTANT PROOF OF ACCURACY
Without extra work or effort.

MAXIMUM PRODUCTION
The flat writing surface results in the writing of many records at one operation.

PERFECT LEGIBILITY
On original and many copies.

CURRENT INFORMATION
Facts and figures obtained as a by-product.

A quarter century of study and research has developed The Universal Accounting Machine—**ELLIOTT-FISHER**.
There is one which fits your business.

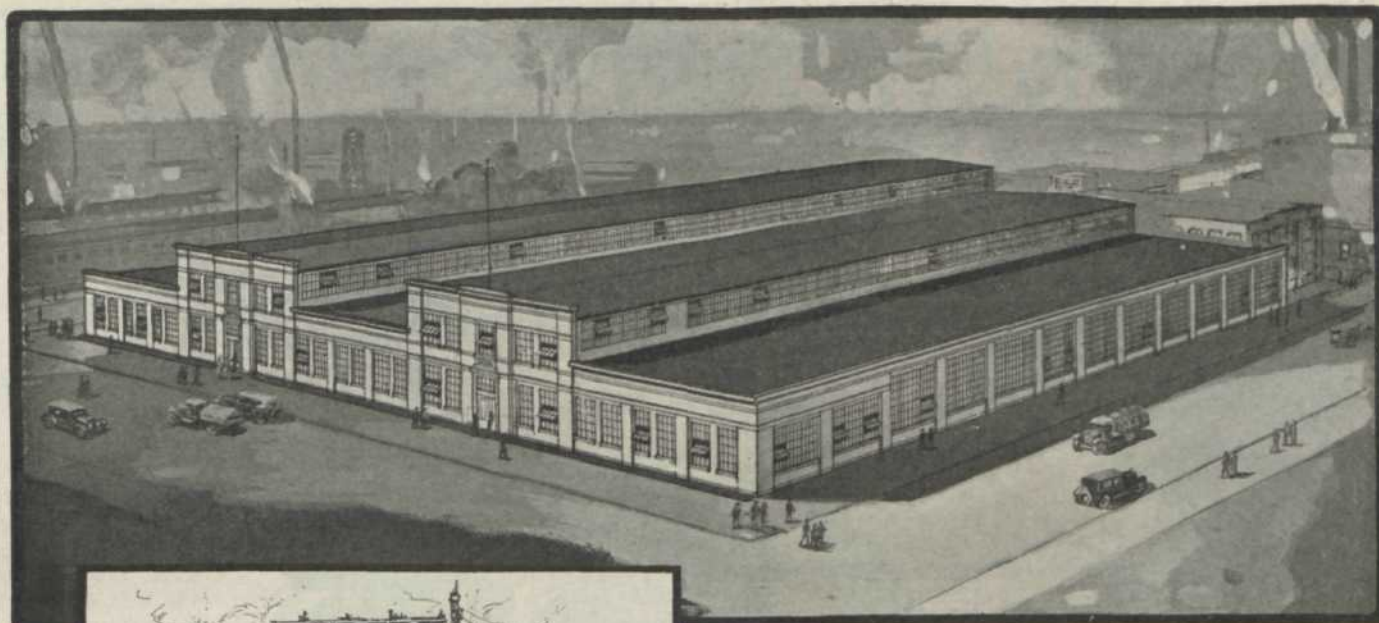


A list of concerns using Elliott-Fishers reads like a "Who's Who" of American business in every field. The total exceeds 15,000 firms and covers more than 400 different lines of business. Investigate!

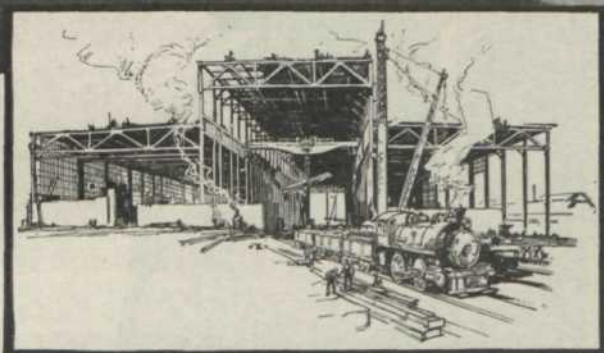
Elliott-Fisher Ribbons and Carbon Paper give best results

Elliott-Fisher

Accounting and Writing Machines: Flat Writing Surface



The new Austin-built plant of the Reg. N. Boxer Co., Toronto, Ontario.
The finest wall paper plant in North America.



An Austin No. 10 Standard Building under construction. A modified type of the large building at the top of the page.



The Austin Method

The Austin Method of Unit Responsibility combines layout, design, construction and equipment in one contract, which results in many savings to the manufacturer over the usual method of overlapping responsibilities.

Austin service is quickly available, anywhere, through 13 Branch organizations strategically located throughout the country. Any one of these branches can begin work immediately on your building project, no matter of what type or size it may be.

50,000 Square Feet Before Snow Flies

You can have 50,000 square feet of building like that shown above before snow flies. Under the Austin Method you can have this amount of well-lighted, well-ventilated and unobstructed floor space, ready for useful occupancy, on a definite specified date, with *complete satisfaction* in the project fully guaranteed. You will be in profitable production before winter, and one thing that will insure profit is the fact that Austin's wide experience in building projects of all kinds will give you a layout and design that will conserve floor space, fully utilize every square foot, and make for greater efficiency in production operations.

Austin speed in construction is possible because your permanent building is already partly completed in the Austin plant—every operation that can profitably be *standardized* has been *standardized* by Austin Engineers; structural steel is ready fabricated and other essential materials are in stock.

To help you formulate your plans as quickly as possible Austin Engineers will be glad to confer with you at any time you suggest. Phone, wire or send the coupon to The Austin Branch nearest you.

THE AUSTIN COMPANY, Cleveland

Industrial Engineers and Builders

NEW YORK.....217 Broadway
CHICAGO...1374 Cont. & Com. Bank Bldg.
CLEVELAND.....16112 Euclid Ave.
DETROIT.....1954 Penobscot Building
PITTSBURGH.....Union Arcade Building
PHILADELPHIA.....1220 Jefferson Bldg.
ST. LOUIS.....1794 Arcade Building
SEATTLE.....1301 L. C. Smith Building

BIRMINGHAM...412 Jefferson Bank Bldg.
PORTLAND.....516 Porter Building
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LOS ANGELES...733 A. G. Bartlett Bldg.
SAN FRANCISCO...708 Santa Fe Building
THE AUSTIN CO. OF TEXAS
DALLAS.....627 Linz Building

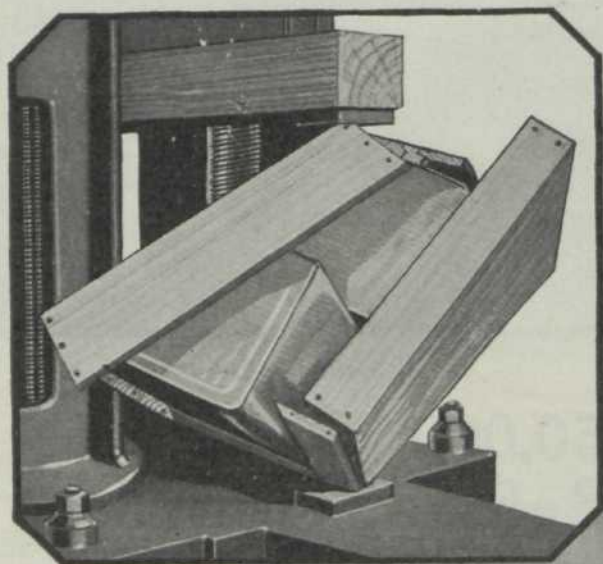
AUSTIN

ENGINEERING BUILDING EQUIPMENT

N.B.10-23
We are interested in a.....
tell us more about.....
of your circular.....
Firm.....
Individual.....
Address.....

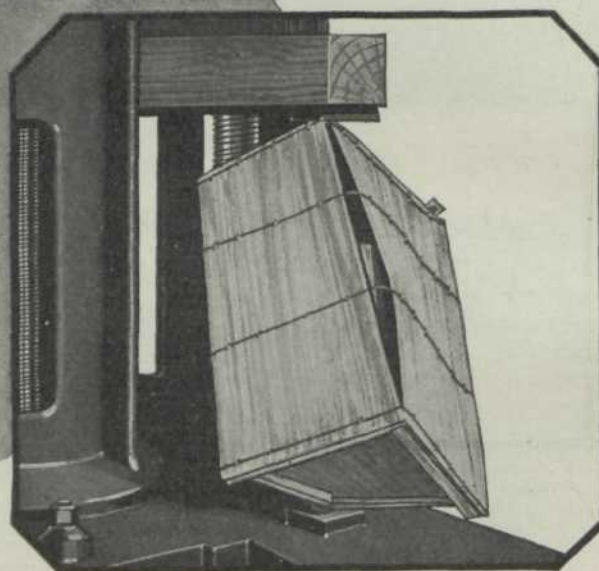
THE AUSTIN COMPANY, Cleveland
building.....
stories high. Please
Austin Buildings and send us a copy
"Austin Unit Responsibility Guarant"

PROVED BY TEST— NOT BY ARGUMENT



SPECIFICATIONS Nailed Wood Box

Sides, top and bottom . . . 3/8 in.
Ends 3/4 in.
Maximum Load . . . 957 pounds
Lumber 100% . . . Strength 100%



SPECIFICATIONS

Pioneer Box

Sides, top and bottom . . . 3/16 in.
Ends 3/16 in.
Maximum Load . . . 1,763 pounds
Lumber 50% . . . Strength 180%

These illustrations are reproduced from photographs of box tests made under the supervision of the United States Department of Agriculture at the Forest Products Laboratories.

WOOD boxes and crates are recognized as the strongest practical containers. A box made of any other material and in general use would have failed in this diagonal compression test long before the nailed wooden box did at 957 pounds pressure.

But the Pioneer Wirebound Box, using less lumber and weighing one-half as much, withstood a pressure of 1763 pounds.

This visualizes the great strength of Pioneers as well as their extreme lightness — two highly desirable features.

Our box Engineers will be glad to study your requirements without cost or inconvenience to you. If you cannot use Pioneer Boxes or Crates they may be of help to you in other ways. We make all types of wooden shipping containers. A bulletin on boxing and crating — "General Box Service" — will be sent free upon your request.

GENERAL BOX COMPANY

504 North Dearborn Street, Chicago, Illinois

SIXTEEN FACTORIES GIVE YOU CLOSE AT HAND SERVICE :

Bogalusa, La.
Brewton, Ala.
Brooklyn, N. Y.
Cincinnati, Ohio

Detroit, Mich.
East St. Louis, Ill.
Hattiesburg, Miss.
Houston, Tex.

Illmo, Mo.
Kansas City, Mo.
Louisville, Ky.
Nashville, Tenn.

New Orleans, La.
Pearl River, La.
Sheboygan, Wis.
Winchendon, Mass.

The \$100,000 Worth of Business We Found Hiding in Our Card Files

A Salesmanager's Experience with a Remarkable and Simple Method of Multiplying the Business from any Given Number of Accounts.

As a salesmanager, I know full well that it's not always the getting of new accounts that builds up a business, but the *working* of the accounts you have. Therefore I've always made it a point to keep as well informed as I could on customer activity. What each customer was doing, what and how much he was buying from us, whether his orders were increasing or decreasing—these and a half a dozen other points I found decidedly advantageous to have at hand for the purpose of intelligent sales work. In fact, I was so strong for the recording of this information that I took it upon myself to design a special card for our customer files.

I was quite well pleased with my record-keeping—so much so, in fact, that when a certain gentleman one day maneuvered his way into my office only to open up on me on the subject of sales records I was not slow to tell him that I had a perfectly satisfactory system.

"But *have* you?" he countered, quickly following with a couple of questions I could not turn a deaf ear to.

"Name one of your customers, any one" he said. I gave him Smith Bros., of Oshkosh. "All right", he continued, "how quickly can you give me the status of this account? How quickly can you tell me how much Smith Bros. bought of you last year? How much last month? What items they bought most of? What item, if any, they bought none of? How the various figures for this year and this month compare with foregoing periods?"

"I'll have the dope for you in a minute," I said, and called the lady in charge of the records. But, to my discomfiture, I'll admit, it took considerably over a minute to locate the card—



The Old Way

The slow and costly way. Cards misfiled. Facts recorded on wrong cards. Errors and concealment of vital facts.



for all Records

Sales, Stock, Credit, Employee, etc., etc. Acme Visible Equipment—unlike any other—flashes to your eye, your sales conditions, stock conditions, credit data, employee records, — flagging your attention to the things that need your attention. They cut costs and add to profits.

and when I did get the card I was astonished with the facts it presented. *We hadn't sold Smith Bros. a dime's worth of goods in three months, and we should be making regular monthly sales and deliveries!*

"Here is the trouble" said my friend not unkindly, "your records *hide* the very facts you want constantly flashed before your eyes." How much other information of vital value do you suppose we concealed in those drawers? Then he proceeded to show me the difference in another way of record-keeping.

"Just try this new method out for awhile and see how much business you've been losing," he said. I could see from the very first that his method was the one for efficiency.

Every card was in sight—within 3 seconds of your finger tips. Everything pertaining to customer and sales activity was visualized before me—my eye flagged automatically to the facts needing attention. In short, a bird's-eye view of every factor of my sales work.

I lost no time in transferring all my records to this new visualizing equipment, and the results were nothing short of amazing. We cut our record-keeping costs two-thirds. We added at least 25 per cent to the efficiency of our sales work. In fact, I'm willing to state that we got at least \$100,000 worth of business out of our accounts we would never have gotten under the old system of record-keeping. This Acme System, as it's called, permits intensive sales work that is not possible under any other method of record-keeping I've ever seen. That in itself is worth a lot.

The New Way The Acme Way

1. Every card in sight (overlapping arrangements).
2. Within 3 seconds of your finger-tips.
3. Write on either side of card without removal from frame.
4. If removed, cannot be mis-filed (errors entirely avoided).
5. Your entire business visualized before you.
6. Your file clerks' capacity tripled (two-thirds of the payroll saved).
7. Your present card records easily transferred to Acme Equipment.
8. Simple color signal systems flag your eye to conditions needing attention.

Make This Efficiency Test of Your Records

How about your records? We have an interesting test you can apply to your sales records, stock records, credit records, employee records, in fact to any sort of records, that show you in a few minutes just how efficient your particular record-keeping is. This test is sent prepaid and free with a copy of our catalog describing ACME VISIBLE RECORD EQUIPMENT in full. Your name and address in the coupon below will bring you this information.

Acme Card System Co. NB-1023
114 South Michigan Ave., Chicago, Ill.

— Please send us your test of record-keeping efficiency and your catalog.

— Please have representative call.

Name

Address

By

ACME VISIBLE CARD SYSTEM

The highest advancement in Record-Keeping

The Acme Card System Company

114 South Michigan Avenue. Dept. NB-1023, Chicago, Ill.

Branches in Leading Cities

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Mills Building



Washington, D. C.

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Through the Editor's Spectacles

A GOOD plausible lie, one that a lot of men are eager to believe, is a long-lived thing. It never dies, and it can't be killed. Take that venerable statement that Commodore Vanderbilt said, "The public be damned." He did say it, but with an entirely different context from the one usually joined to it.

Melville Stone tells the story in his "Fifty Years of Journalism." A newspaper reporter who had lost job after job for bad behavior picked up a living around Chicago by gathering and peddling railroad items. Mr. Vanderbilt arrived in Chicago in a private car late one night and was sleeping calmly when at 3 a. m. the reporter waked him up to demand an interview.

Mr. Vanderbilt, with a three-o'clock-in-the-morning temper, objected. The reporter insisted and said in effect: "The public has a right to know."

Mr. Vanderbilt said, "The public be damned," and one newspaper printed the story without printing the whole story. And the average American believes that Mr. Vanderbilt was defining his attitude towards the railroad-using public.

Two other statements that float constantly through the newspapers read something like this:

Bradstreet's says that 90 per cent of the men who start in business fail.

Bradstreet's says that in 1920 (or some other year) 85 per cent of the failures were of men who did not advertise.

Bradstreet's gets half a dozen letters a week asking when they said one or the other of these things and keeps a form letter explaining that they didn't say them and that no one knows whether either statement is true or not. But like John Brown's soul, they go marching on.

For a quarter of a century there has been circulated by and among the fighters for fiat currency a statement that in 1877 the American Bankers' Association issued a circular which said:

It is advisable to do all in your power to sustain such newspapers, especially the agricultural and religious press, as will oppose the issue of greenback paper money, and that you also withhold patronage or favors from all applicants who are not willing to oppose the government issue of money. Let the Government issue the coin and the banks issue the paper money of the country, for then we can better protect each other.

To repeal the law enacting national bank notes, or to restore to circulation the government issue of money, will be to provide the people with money and therefore seriously affect your individual profits as bankers and lenders.

A recent appearance of this venerable fabrication was in the *Dearborn Independent* a short time ago. George E. Roberts, of the National City Bank, knew the old sinner by sight and wrote as follows to Fred N. Shepherd, executive manager of the A. B. A.:

I remember writing to the American Bankers' Association about this alleged circular back in the 1896 campaign, and receiving a letter denouncing it as a forgery. No doubt your files are full of letters of this kind. It seems to me that it would be well at this time for you to give attention to the forgery account, and I think it would not be out of place for you to write to the *Dearborn Independent* and ask space in its columns to state that it has been exposed as a forgery time and again over the last twenty-five or thirty years.

Mr. Shepherd wrote to the editor of the

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The first of a series of articles describing in absorbing detail how the nations of Europe are reaching out to re-establish and extend their pre-war trade, written by a former American consul who has watched men and nations in many places for many years.	
Forward Move in Transportation.....By LOWELL MELLETT.....	18
Transportation is the outstanding business problem of the country today, and the biggest forward movement that the Chamber of Commerce of the United States is now carrying on is its transportation conference, which Lowell Mellett here describes. Mr. Mellett is a former managing editor of Collier's, at one time head of the Washington Bureau of the United Press. He has chronicled the world's big events in war and peace both here and abroad. He writes not as a transportation expert but from the standpoint of the public.	
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The president of the United States Chamber of Commerce makes here a suggestion for control by the public of monopolistic unions which dominate an industry to the detriment of the public. Mr. Barnes' suggestion is unusual and is certain to provoke wide discussion.	
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Getting Buyer and Seller Together....By GEORGE B. JOHNSON.....	33
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(Continued on page 9)

Independent along the lines suggested by Mr. Roberts, but no correction has yet been printed.

It's hard to stop a popular lie when once it gets started on its travels.

SOBERED by responsibility, is a phrase the editor of this journal has used for years in writing and speaking, but like so many other things in this life a little experience galvanizes many abstract phrases into actuality. Fifty thousand new subscribers to THE NATION'S BUSINESS in the last year has just about doubled our feeling of responsibility. He is either a fool or an arch egotist who can calmly face 118,000 American business executives on the 25th of each month and not get a touch of stage fright. The thought of the value of 118,000 hours of our readers'

time—not alone money value but the value of that time to society—is sobering. In twenty-five cent pieces, 118,000 of them, there is something to feel responsible for, but the 118,000 ten-dollar bills in time, that gives us pause!

We mustn't become self-conscious of this growing audience. We must step out boldly yet modestly each month as in the past and discuss in human phrase, as one business man talks to another, the significant happenings and trends in American business life. In a word, our responsibility is to strive to sense the new impulse in American business life, to study its various manifestations, and pass them along to the business leaders of the nation. And if the newest members of our family are one-half as helpful with suggestions as the older members have been, we

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Manufacturers of

Southern Pine

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This is the season of completing buildings begun earlier in the year and usually creates a demand for rush shipments. We can take care of you.

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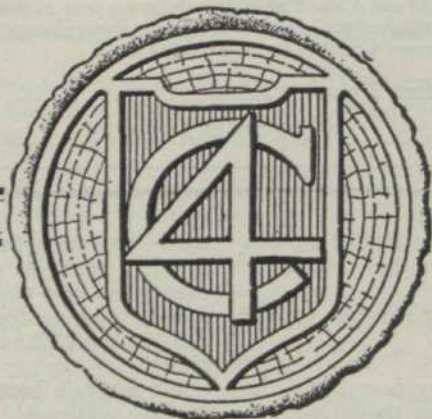
1922		1923	
Buildings	Cost	Buildings	Cost
January.....	30,392	January.....	41,780
February.....	32,150	February.....	40,820
March.....	62,444	March.....	70,391
April.....	64,449	April.....	81,218
May.....	73,144	May.....	80,618
June.....	63,658	June.....	67,776
July.....	56,332	July.....	64,390
First Seven Months .	382,569	First Seven Months .	446,993
	\$1,464,884,377		\$1,916,140,777

NOTE: The construction investment for the first seven months of 1923 is \$451,256,600 over that for the first seven months of 1922.

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CLEVELAND, OHIO

shall have no cause to complain; rather the renewed inspiration that will be ours will redound to the glory of organized business.

SCHOOLS and libraries are showing an increased interest in THE NATION'S BUSINESS. The Chicago Public Library this month asks for extra copies of our business map:

We find it of such value that we should like to post it on the bulletin board. We bind your periodical, and for that reason cannot tear the map out of each number. We shall be grateful if you will inform us how we may obtain the map regularly in separate form.

Principal A. Boyd, of the Lamar (Colo.) High School, writes:

THE NATION'S BUSINESS first came into my hands a few months ago. It is to many other magazines as a successful business man is to rabid reformers. There is no vagueness, wild shouting, inspiration to hate. It appeals to the head rather than to sentiment and to old unreasonable prejudices. Its influence should be felt in every high school in our country.

And Albert Leonard, superintendent of schools, New Rochelle, N. Y., writes:

A careful examination of your periodical has made it evident that this publication is a most useful means of keeping oneself authoritatively informed on the leading industrial, economic, and social problems affecting the welfare of the American people. As a means of preparing young people for an intelligent and effective share in the obligations and duties of citizenship, your magazine will be found most helpful. It will prove particularly useful in supplementing the school work in history, civics, and economics. The fact that it is published by the United States Chamber makes certain the disinterested and trustworthy character of the magazine.

Prof. Harry T. Collings, of the Wharton School of Finance, writes:

May I compliment you on the excellent material which has been appearing in THE NATION'S BUSINESS from month to month?

Professor Peterson, of the University of Colorado, writes:

We have been so unfortunate as to lose a volume of THE NATION'S BUSINESS for 1919. This loss breaks our set. I am writing you, therefore, to inquire if there is any possibility of being able to purchase the missing numbers from you. Any help that you might be able to give us in this connection would be greatly appreciated.

And in the same mail came a request from Nicholas Senn High School of Chicago, asking for fifty reprints for use in the civics class, and adding, "We have enjoyed your magazine very much in this class."

THESE are only a few examples of a new field of opportunity for a magazine devoted to the sanity, stability, and idealism of American business. Readers might help us along in this new field, if they feel so inclined, by calling THE NATION'S BUSINESS to the attention of libraries and school people.

NO MAGAZINE, I believe, has ever presented a series of articles that has brought the reader response we have received from the series on distribution. Already requests for 50,000 copies have been received, and the demand is such that we plan to bring the completed series out in book form.

Typical of the requests is the one received today from Julius Kayser & Co. of New York, who write that some of the articles of this series are missing from their files and ask if it would be possible for us to furnish them with other copies. "We have made good use of them," runs the letter, "and wish to compliment you upon the very intelligent survey

which you have made in this important branch of business."

The same mail brings a letter from the *New York Evening Journal*, asking for permission to reprint the January article, "The Case as to Distribution," for distribution among 55,000 retail dealers, jobbers, and manufacturers.

Readers will be interested to note the announcement on another page of this number that we plan to continue the series throughout the year.

NOW AND THEN we are rebuked for printing too much about foreign countries. "Why don't we stick to American business?" And the answer is that Europe's business is our business.

In his much-discussed and much-controverted book, "Germany's Capacity to Pay," H. G. Moulton, of the Institute of Economics, puts the reparations question in a fashion that makes it the business of all of us:

Large reparation payments can be made only provided the German standard of living is held down to the minimum of subsistence, or at least to the minimum below which social revolt becomes inevitable. The will to produce must of course be preserved; some opportunity for gain must be permitted. Implied in this is a driving down of wages and production costs below the level of the world at large, in order that Germany may persistently undersell competitors in world markets. This is the only possible way whereby any substantial exportable surplus can be procured. Whether it is a way that would please and prove profitable to the rest of the world constitutes another story.

All of which is in explanation, but not in defense of our printing such a series as that of Mr. Simpich, which begins in this number and which deals with Europe's fight to regain her pre-war trade.

CHARLES P. STEINMETZ, electrical "wizard," gave to the public through *THE NATION'S BUSINESS* recently a roseate picture of the world in the years to come, when electricity would be doing most of the work and a four-hour day would be the portion of the manual laborer. It was an attractive Utopia he painted, not unlike the dreams of Socialist theorists, but perhaps more likely to be fulfilled. Mr. Steinmetz is a Socialist, and once ran for State Engineer of New York, to give that ticket prestige. He came very near election, which would have been a grievous disappointment to him, because he has more important work to do.

But we digress. The dream of the four-hour day reminded us of a lunch-table conversation, not prompted by his dream, because it took place several days earlier. The speaker was a noted consulting engineer. In his young manhood he had cooked his own breakfasts, walked four miles to a mine, worked ten hours making big rocks into little ore, and then walked back to his cabin to prepare his own supper. That wasn't all he did in those days; it is a sample. At lunch the conversation turned to the laziness of New York.

"We are losing all deference for work," he observed. "The only persons in this town who have any real feeling for it are the small shopkeepers, whose shops are their very lives. Everyone else is talking about the hardships of the eight-hour day."

"This nation was sprung of pioneer stock, augmented from the hard-working peasantry of Europe. It is strange that we should have forgotten so soon the usefulness of our hands and the dignity of labor. As I think back to the days when a man really did a man's work I am ashamed of all of us. When I was a

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Vol. 11

THE NATION'S BUSINESS

No. 11

Published Monthly by the Chamber of Commerce of the United States, Washington, D. C.

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As the official magazine of the National Chamber, this publication carries authoritative notices and articles in regard to the activities of the Chamber. But in all other respects, the Chamber is not responsible for the contents of the article or for the opinion to which expression is given.

boy out West any boy who didn't work when he was not in school lost caste. My father didn't want me to do it, but I had to. The other boys looked down on me."

Somehow it seemed almost as odd, in this day, to hear a preachment on the good old Carlylean doctrine of the dignity of labor as to read a scientist's Utopian outgiving.

IN THE first issue of the first American newspaper, *The Boston News-Letter*, back in 1704, there was just one advertisement. It announced a commodity for sale, and it cost the enterprising advertiser less than a dollar.

Recently there appeared in metropolitan newspapers a page advertisement, not of a commodity, not of a service, nor of anything to sell. It was a discussion of the state of prosperity in the United States. The Curtis

Publishing Company paid thousands of dollars to help restore that confidence which had been shaken by the calamity-howling of the politicians. The concluding paragraphs are well worth quoting here:

ONCE MAINE ELECTIONS WERE THE KEYNOTE OF NATIONAL POLITICS.

WHEAT WAS THE KEYNOTE OF PROSPERITY.

THAT WAS BEFORE THE CENTER OF POPULATION MOVED TO INDIANA. THAT WAS THE TIME WHEN ALL FARMERS WERE GROWING SOME WHEAT, AND ALL WERE AFFECTED BY BOTH THE ABUNDANCE OF THE CROP AND THE SALES PRICE.

TIMES HAVE CHANGED!

GIVE WHEAT ITS RIGHTFUL PLACE—6 PER CENT OF THE WHOLE—BUT DON'T LET IT ASSUME UNDUE IMPORTANCE.

FUNDAMENTALLY, THE COUNTRY FROM EVERY STANDPOINT SO FAR AS WE CAN SEE, IS SOUND; PARTICULARLY SOUND WHEN JUDGED BY THE NAT-

BOOKS FOR EXECUTIVE LIBRARIES

"Freight Rates and Charges"

Laws, rules and regulations governing the
Construction, operation and development
OF
Railroad freight rates and charges
in their application to
Interstate and foreign commerce

Covers all questions involving the legal status of different kinds of rates—Establishment of rates—Changes in rates—Quotation of rates—Assessment of rates—Payment for transportation—Factors in rate-making—Justness, reasonableness of rates—Comparison of rates—Advances and reductions in rates—Maintenance of rates—Investigation and suspension of new rates—Jurisdiction of Interstate Commerce Commission, and many other vital subjects set forth in Table of Contents.

The purpose of the book is to state the present law governing every proposition involving freight rates and charges in a way that is easy to understand in its application to everyday problems. Place order at once as edition is limited.

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for
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Book covers all questions involving CLAIMS BETWEEN SHIPPERS AND CARRIERS, including common-law liability as modified by statute—Extent of liability of initial, connecting and terminal carriers—Limited-liability clauses governing transportation of live stock and perishable traffic—Vessel owner's liability in foreign commerce—Rates dependent upon declared or released valuation—Liability of carrier for full actual loss, damage, or injury regardless of limited-liability contract—Validity of limited-liability provisions in contracts of shipment, classifications and tariffs—Time for giving notice of and filing of claims with carriers, and institution of suits—Elements and measure of recovery—When invoice price or market price controls—Interest—Refund of freight charges—Exemption of carrier from liability for act of God, public enemy, negligence of shipper, public authority, inherent vice or nature of goods—Liability as warehouseman—Export and import traffic—Forms of domestic and export bills of lading—"Shipper's weight, load and count"—Court proceedings—Jurisdiction of Interstate Commerce Commission—"Carmack Amendment"—"Cummins Amendments"—"Harter Act," etc. Place order at once as edition is limited.

Price \$7.50 per copy, transportation charges prepaid

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CHICAGO . . . ILLINOIS

URAL CREATION OF WEALTH AS IT COMES FROM THE SOIL.

Advertising is always a form of public service, but this advertisement was the essence of public service.

William James quotes with approval the saying of an old villager: "There is very little difference between one man and another, when you get to the bottom of it. But what little there is, is very important."

The difference between advertising in 1704 and 1923 is not only "very important," it is epochal.

TIME is still of the essence in the business world. Science and invention contrive mobile forces and instrumentalities to accelerate the pace of living and doing. Fresh testimonial comes in report of daily delivery of mail by airplane to troops on a "hike" from Fort Benjamin Harrison, Indiana, to Camp Knox, Kentucky. So the ether, long a highway of communication, lends itself to this new service for the comfort and convenience of our horse, foot and artillery.

Too, we read of a racing motor car taking on gas from another car tooled up to it, wheel to wheel; and of a soaring airplane refueled from a plane maneuvering in flight above it. Express trains on some railroads have long saved precious minutes at tanks by scooping water from troughs between the rails. And regard, also, those durable "marathon" dancers who were fed and watered on the run, as it were, by way of keeping up energy for flying feet.

Are science and our ready homage to speed to push us to a perpetual use of our powers? Perhaps. But in that distant day, should it come, as in this, we may be sure that no revision of Saint Luke's measure will be necessary—the race is not always to the swift.

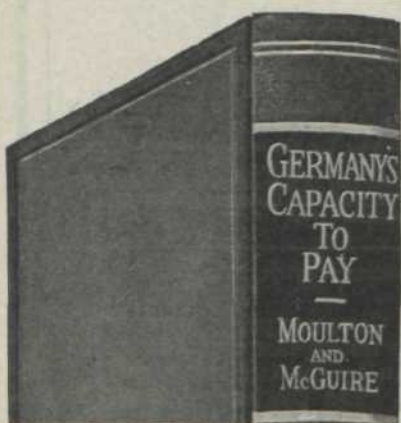
WHEN WE applied for our first job, intelligence tests had not been devised. Perhaps if they had, we should still be out of work. The youth of the country blacked its shoes, put on its Sunday suit, got a letter from the pastor of the church and the high school principal and set forth. Questions were simpler: "How long have you been at school?" "Do you live with your parents?" "Ever worked anywhere before?" All those could be answered, but we shudder to think what would have happened to us had we been confronted with this:

With your pencil make a dot over any one of these letters, F G H I J, and a comma after the longest word; *boy mother girl*. Then if Christmas comes in March, make a cross right here.....but if not, pass along to the next question and tell where the sun rises..... If you believe Edison discovered America, cross out what you just wrote, but if it was some one else, put in a number to complete this sentence: "A horse has.....feet." Write *yes* no matter whether China is in Africa or not.....; and then give a wrong answer to this question: "How many days are there in a week?"..... Write any letter except G after this comma.....and then write *no* if 2 times 5 are 10.....

Probably we should have decided that the prospective employer was somewhat unbalanced and looked elsewhere.

A VERY human note is sounded in this letter from a professional man in New England:

That is a splendid article by Mr. Hooper, "The Fantasy of a Living Wage." But I take emphatic exception to one of his statements, or to the general way in which he makes it. To quote, "It must not be forgotten, however, that the worst

**The book that Poincaré and Stresemann are talking about!**

BOTH Premier Poincaré and Chancellor Stresemann in some of their recent speeches have made extended reference to the report of the INSTITUTE OF ECONOMICS on the capacity of Germany to make reparation payments.

This report, which came off the press a few weeks ago, is exciting interest in all parts of the world. It is the first definite answer to one of the leading questions of the day.

Germany's Capacity to Pay

By H. G. Moulton and C. E. McGuire

With the aid of the Council and Staff of the Institute of Economics

384 pages, 5 x 8, \$2.50 net, postpaid

THIS book is the first of a series of studies from the INSTITUTE OF ECONOMICS, established in October, 1922, and endowed by the Carnegie Foundation, for the purpose of gathering and making available material on economic questions for the guidance of public opinion.

The INSTITUTE has not been content with any superficial gathering of data and opinion. It has done its work thoroughly and its findings will be found as conclusive and as trustworthy as would be those of any commission especially appointed to the task.

A Complete Diagnosis of Germany's Economic Condition

The aim has been to make as complete a diagnosis as possible of Germany's economic condition and of her ability to continue making reparation payments.

The volume clears away many of the prevalent misconceptions regarding Germany's ability to meet her reparation obligations and answers conclusively most of the questions about which there is so much controversy today.

Examine it for 10 days FREE

McGraw Hill Book Co., Inc.,
370 Seventh Ave., New York

You may send me for 10 days' Free Examination "Germany's Capacity to Pay," \$2.50 net, postpaid. I agree to remit for the book or return it postpaid within 10 days of receipt.

Signed
Address
City and State
Official Position
Name of Company
NB-10-23

legacy left us by the war was that of wasteful and extravagant habits of living by all classes —." It is to the last two words that I object. God knows there is a huge class of our very best people—the "new poor"—who have had no chance to develop extravagant habits. (See John Corbin's great book, "The Return of the Middle Class.") We have been impoverished by inflated prices without any corresponding increase of income. In my home before the war we had a maid most of the time. Since then my cultured wife has become a domestic drudge, and most of her clothes she has made herself. With two children to maintain and educate, it is a desperate struggle to make ends meet. We, of course, are typical of many thousands of cultured folk. Our future would be dark, indeed, were it not for faith that ere long present absurd conditions will adjust themselves, and we shall come into our own again.

JOHN FALSTAFF at his portly best and "yon Cassius" at his leanest have trod the boards as exemplars of the thick and the thin of earthly substance. Argument over quirks of human nature as bottomed on bulk of flesh wax and wane without enduring judgment or conclusion. The industrious jollity of Mr. Shakespeare's rotund old roisterer is made to serve as evidence that good nature goes with great girth, but his "yon Cassius" with lesser midriff is a sinister figure. Mayhap his summers in Rome were too much for him, for now come respected scientists with a report that fat men endure high temperatures better than thin men.

Experiments were made by means of a specially heated room in the laboratory of the Bureau of Mines station at Pittsburgh. Persons exposed to the heat of the special chamber lost weight, the report says, varying with the individual, the heavier and stouter men losing more than the lighter and thinner men. Despite their lesser loss of weight, the thinner men could not endure the high temperatures as long as the heavier men, and complained more of the exhaustion that followed exposure.

In the course of their experiments, the scientists discovered that sweat is the chief cause of inflammation of the eyes, which accompanies exposure to heat. Another outstanding conclusion lays low another boggy, namely, that the drinking of ice water after exposure to high temperature does not produce cramps.

"YOUR work," writes Francis J. Bowen, of San Antonio, Texas, "in assisting business executives to understand better the multiplicity of problems that unavoidably surround and press upon the individual and the nation these days is as highly commendable as it is imperative."

ARMIES need many things besides guns, but the wants of an army of occupation run to undreamed-of supplies. A footnote to a recently published volume on German reparations lists some of the materials which Germany furnished. They included:

- 50,900 sets of knives, forks and spoons
- 175,000 napkins
- 69,000 dinner services
- 89,000 coffee services
- 4,300 tea sets
- 25,000 porcelain plates
- 72,000 white wine glasses
- 51,000 claret glasses
- 15,000 port wine glasses
- 45,000 champagne glasses
- 58,000 liquor glasses
- 26,000 beer glasses
- 9,000 decanters

Armies of occupation of dining-room tables!

M.T.

If you plan your trip to EUROPE NOW~



IT need cost you little. Perhaps the majority of persons have an exaggerated idea of the cost of a European trip. Learn today at what a moderate cost you can fulfill *your* desire to see the wonders of Europe.

Your Government has prepared handsomely illustrated travel booklets of itineraries, costs and ship accommodations. Send for them today—free and without obligation.

Investigate Now

This unusual opportunity to go abroad at a moderate cost on the great U. S. Government ships operated by the United States Lines should command your interest.

Early Sailings Are:

Geo. Washington	-	Oct. 6—Nov. 13
Leviathan	- - -	Oct. 20—Nov. 10
Pres. Roosevelt	-	Oct. 23—Nov. 24
Pres. Harding	- -	Oct. 27—Dec. 4

In addition there are five splendid cabin ships direct to Cobh (Queens-town), Cherbourg and London and three to Bremen including the S. S. America, largest cabin ship in the world. Find out about the low cost of this unsurpassed service.

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My Name.....

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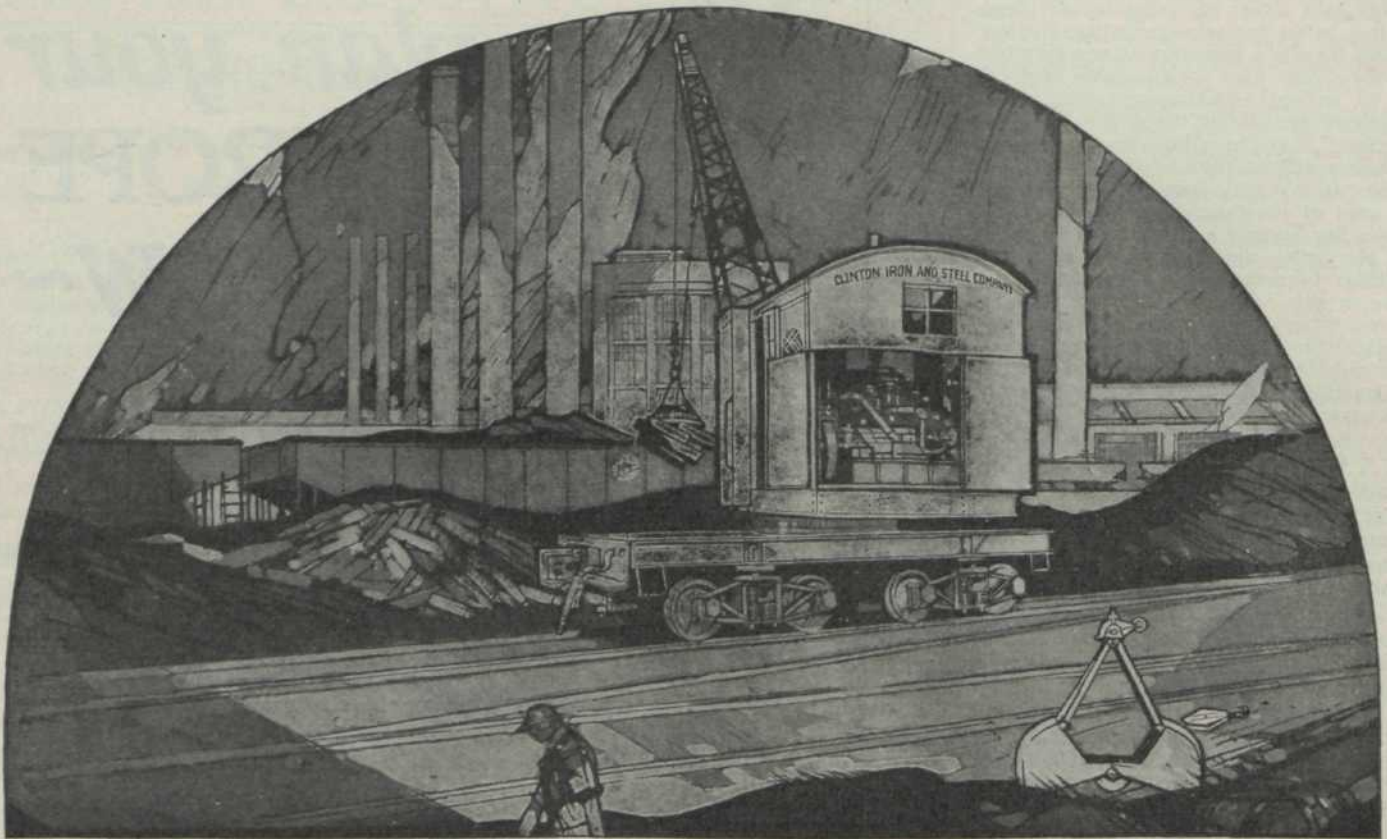
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Here's the Ideal Small Crane for an Industrial Plant

The Clinton Iron & Steel Company have used Brownhoist Cranes for many years. Their new No. 2 Brownhoist gas engine Crane with generator set and magnet, handles fifteen to twenty 125 lb. pigs at a trip and averages four trips a minute from car to stock pile.

Brownhoist Products

Heavy Dock Machinery, Locomotive Cranes, Monorail Trolleys, Concrete Bunkers, Chain Conveyors, Belt Conveyors, Coal Crushers, Bridge Cranes, Buckets, etc.

The Brownhoist No. 2 Crane is an indispensable factor of economy in general utility work for any plant.

This eight-wheel No. 2 crane is economical even in first cost. With minimum operative and upkeep expense it will save money on every job where speedy movement of various kinds of materials is necessary.

Maximum capacity and flexibility are assured because of the eight-wheel trucks. And for this same reason the crane makes an ideal unit for switching cars in the yard.

The No. 2 Brownhoist Crane is equally efficient for bucket, hook or magnet work. It is built for gasoline, steam or electric power.

The Brown Hoisting Machinery Co., Cleveland, Ohio

Branch Offices: New York, Chicago, Pittsburgh, San Francisco, New Orleans, London, Eng.

BROWNHOIST

M A T E R I A L H A N D L I N G M A C H I N E R Y

England's Fight For Trade

Your Competitor Across the Sea Is Watching Every Move You Make and It's Well That You Should Know His Methods

By FREDERICK SIMPICH

Illustrated by Charles Dunn

NOT SO long ago the calamity howlers, in an orgy of woe and gloom, were mournfully administering the last sad rites to the British Empire. From Soho Square clear out to Singapore scores of critics raised their wails and lamentations over the alarming decline of British shipping, commerce and imperial prestige.

"Old England's cracking," I heard one of them complain. "This is my last trip home. I'm on my way back to the China Coast; I'd rather loaf there and drink myself to death than stay in London and wait for the crash." He had spent twenty years in China, an importer of Scotch and gin, and we were fellow-travelers out of Southampton. At our table sat another of His Majesty's pessimistic subjects, a piece-goods trader from Aden.

"Righto," he croaked hopelessly. "We won the war—like the old woman ran her hotel! So far as trade goes, it's the Japs and Germans who won it. I sell cotton in Somaliland, or used to; now I can't compete with cheap stuff from Japan or the Hindu mills. And already German hardware is underselling honest British goods in the bazaars. Yet Government does nothing—just funks it! Have a drink."

Not typical, these calamity howlers, of that traditional Briton, grim and determined, fighting gamely and fairly to make the empire great. Yet a numerous and growing host they were, in those chaotic post-armistice days, and amply abetted on this side the Atlantic by many who also honestly thought that John Bull had lost forever his ancient and once invincible grip on world finance and ocean commerce. "England is the citadel of the empire," the doubters said. "If England weakens, the empire weakens, or goes to pieces."

Better even than these faint-hearted, John Bull himself probably knew the perils that threatened him. Debts of almost incalculable

magnitude were his. Vast armies of workmen were idle; wholesale migration there must be, many declared, or thousands would starve. Coal production declined, and labor was not one-third as efficient as in America. Taxes hit capital so hard that it lay paralyzed, unproductive. Empty ships rusted idly at their anchorage. India was in ferment, Egypt openly rebellious. The staggering costs of occupying Mesopotamia brought storms of criticism. Canada, some said, wanted to run her own show; and Australian shipping started a rate war against the merchant fleet of the home land.

Certainly there was calamity enough to keep the world's best howlers all tuned up to concert pitch. Beyond any doubt John Bull was against the ropes, black of eye and badly battered. But, like China—or Persia—there's a curious capacity for convalescence in any institution as old, as tough and wary as the British Government. Unwieldy it may be, and clumsy, with its many arms and legs—

Catholic and Protestant, Jewish, Mohammedan and hairy heathen, black, white and brindle—sprawled over all the continents of the earth. But this curiously cosmic nature, its long centuries of experience, has brought to it a singular genius for extricating itself from trouble—for setting the empire in

order. Today there seems no reason at all why that gin man on the China Coast shouldn't come on home, for another vacation; the "crash" is not so imminent.

The pound is almost back to par. Coal mining is brisk and profitable. Shipping is picking up, and foreign trade—counting invisible exports—is healthy and growing. Capital has come out of its hole. But for the new and overshadowing impasse with the French, no serious oversea political complications interfere with increasing prosperity.

Now America and England, as the world's



creditor countries, have much in common. Like England, we too must develop a permanent government policy as to shipping, ocean trade and foreign investments. More and more, as Anglo-Saxon civilization is welded together, American and British capital will probably follow the same general methods in making and caring for foreign investments. It can only be instructive and useful, then, that we look briefly at England's traditional treatment of these problems—and at the steps taken by her since the war to put her ships and traders back to work, and to regain her old preeminence in commerce and banking.

To see things clearly we must remember that from the days of the Norman Conquest on down to the middle of the nineteenth century the Crown took an active interest in the development of industry. Merchants and artisans from Germany, France, Holland and Italy were encouraged and assisted in migrating to England. Much of her industrial progress in medieval times was due to these immigrants. Often the export of raw materials was forbidden. Guilds and apprentices were regulated by law. As early as 1485 England sent a consul to the Mediterranean to promote trade, and to aid shipping an old navigation act required that all exports and imports be carried in English bottoms.

By Elizabeth's time the Government had begun paying bounties to help shipbuilding and other industries. Capitalism, as such, began to exert power in politics. Even at this early day special privileges were granted to merchants trading with foreign countries, and commercial treaties were made to protect them. To encourage new home industries, monopolies were created. And marine insurance, that important item in modern British shipping profits, was even then highly developed.

Back Toward Paternalism

BY THE first half of the nineteenth century England's position had become so strong and her empire so divergent and far-flung that protective tariff and navigation laws were repealed, and a policy of free trade and *laissez faire* was adopted. The Government still continued, however, to grant subsidies to shipping to encourage trade on particular routes. In spite, then, of the genius which her people have for finance, shipping, insurance, manufacturing and commerce, it cannot be denied that in their long and slow attainment of this preeminence, the Government's consistent policy of aid and protection was an important factor.

In the three or four years just passed, years that marked the greatest economic crisis in the life of the empire, there is seen unmistakable evidence of a swing back to that paternalism so conspicuous in the first few centuries of English commercial history. Conspicuous among her steps to help trade is the Export Credits Act, now too well known to need description here. To American competitors, however, it is interesting to know that the chief commodities whose exports have been facilitated by this credit scheme are flax, cotton, woolen and worsted yarns and manufactures; iron, steel and manufactures thereof; coal, and rubber products.

Then came the Trade Facilities Act, whereunder a total of £50,000,000 has been made available as loans to industry. Among other things it permits the British Treasury on the advice of an advisory committee to guarantee the principal and interest of loans raised for carrying out capital undertakings. Nor are

these guarantees now confined to domestic issues; the Government introduced its bill for the renewal of this act in conjunction with the Austrian Loan. Austria's strategic position in relation to the markets of Central Europe was never lost sight of by Britain. She worked manfully to save this country from financial wreck; she supported the International Credits Plan of the League of Nations; and today Austria is getting on her feet. As she gets up, however, she

THE business man in Terre Haute is eager to learn what his competitor across the street is doing, what new plans he has for selling, what new lines are to go in, what new credit arrangements, what dealer helps from manufacturers, and the hundred other strategies that go to make business the great competitive game that it is.

Well, if he only knew it, the Terre Haute merchant as a unit in a big corporation, the United States of America, is just as vitally interested in another competitor across the sea and what this competitor is doing along those same lines. This competition may seem farther away from his cash register, but nevertheless in actuality it is just as close.

Men with imagination sense this; the most successful business men are the ones who have had this imagination. Some day all of us will think of the nations of the world as definite flesh and blood competitors and enjoy with the same exhilaration the economic contest that goes on between nations as between individual competitors on opposite sides of a Terre Haute street.

Mr. Simpich was long in our consular service and knows business men and business ways in many corners of the world. In these articles he has had the active help of the Department of Commerce, whose officials aided in getting the material and in checking it up when it was prepared.—The Editor.



Frederick Simpich

finds British capital snugly ensconced in Vienna—and likewise in the secession states. The Bank of England, it is said, is now part-owner of the Anglo-Austrian Bank.

With the aid of this government credit the applicant can get money on easier terms than from private sources; and thus business is encouraged to undertake jobs which might otherwise be put off, and jobs which, in addition, go far to reduce the number of unemployed. Also, in all contracts under this act a clause is now inserted which compels the borrower to buy all plant, machinery and materials required from British sources. This, obviously, gives Americans no chance at all to supply materials, machinery or service in a big \$16,000,000 job like the Sudan project. This, incidentally, is a government-fostered scheme to add millions of acres to the empire's cotton-producing area, and thus help free British spindles from dependence on American cotton.

Obviously to keep out German goods, Great Britain passed the Safe-Guarding of Industries Act shortly after the war. This really amounted to the encouraging of specific industries by licensing imports and imposing duties. This act originally placed prohibitive tariffs on certain articles of German manufacture, such as latch needles for hosiery, dyestuffs, magnetos and chemicals. Its aim was to break up the German monopoly on these

articles. Since extended, this act now covers practically 1,500 items, and, as a matter of fact, hits the United States far harder than any other country. It includes such articles of American make as automobiles, on which there is a 35 per cent duty, machinery of various descriptions, all sorts of scientific and electrical appliances, and a great many chemicals and drugs which Germany never supplied. Under the plea of a war-time emergency this act was passed; but it has become practically a protective tariff, although the low-tariff and free-trade elements in both political parties were originally induced to support it because they believed it was necessary to keep commodities of war-time necessity from German control. Goods from the Imperial Dominions are not affected by this law in any way.

We use about 261,000 tons of rubber a year, as against 31,000 tons used in Great Britain. But the British, with the Dutch, grow most of the world's rubber. To limit production in Malay and fix prices, the British passed the Stevenson Act, as everyone interested already knows. Comment on this act as wise or unwise, fair or unfair, would be out of place here. Conspicuous and significant its passage was, however, as indicative of British policy. It might easily happen again, in the case of other raw materials which America buys from British colonies.

One striking evidence of Britain's activity in the Far East is evidenced in Japan's imports of machinery. During 1920 Japan bought Yen 31,564,864, or 20 per cent, of her machinery imports from Great Britain, and Yen 73,556,022, or 66 per cent, from the United States. In 1922 Great Britain's share had increased to Yen 42,203,499, or 36 per cent, while ours had declined to Yen 57,310,794, or 50 per cent. British representatives have been and are now very active in the Japanese market and have closed many good contracts, particularly for hydro-electric equipment and textile machinery.

The British In China

VIGOROUS efforts are being made by the British to recapture the railway-equipment market in China. American interests are watching these efforts closely and insisting on the principle of equal opportunity in bidding for government purchases. British interests have the advantage, however, of heavy investment in several roads with preferential purchase claims in the loan agreements. Recent attempts to have bids for equipment on one of the Chinese government railways, however, limited to quotations in "Pounds Sterling" would have proven a great handicap to American bidders had the matter not been made the occasion of protest.

In the Dutch East Indies a chance for certain sales was created when Germany's grip here was shaken. British traders are organizing now to capture this former important German market for sugar machinery, iron and steel, hardware and piece goods. Elaborate reports on selling methods have been prepared by British Trade Commissioners; and as soon as the present higher prices for Java's products in world markets are reflected in a returning purchasing power, they will be in a position to reap the benefit.

Competition between British and American manufacturers of electrical machinery and supplies is keen, not only in Great Britain but in other markets of the world. This is especially true in heavy machinery lines, such as turbo-generator sets, large motors, generators, etc., and in some of the more important electrical accessories like insulated wire and cable,

and incandescent lamps. Even in the British colonies American manufacturers find some of their most important foreign markets, and they are able to compete successfully in spite of the preferential duty in favor of the home country on such articles.

Notable instances of successful American competition have occurred recently in Australia and India on power plant equipment, and several important railway electrification jobs in the British colonies have gone to American bidders. American telephone material is another line that is making rapid progress in the British colonies.

British and American manufacturers divide about equally the important electrical business of markets like the South American countries and the Orient, where there are little or no electrical materials made locally. In some lines, such as large hydro-electric units and many electrical specialty appliances, the Americans, by reason of their greater experience or tendency toward more progressive designs, have outstripped the British manufacturers completely. Our domestic heating and cooking appliances and some of our motor-driven household devices sell in Great Britain in competition with the British product and at higher prices. American wireless material, too, is claiming much of the demand that is now growing up in foreign markets.

Our largest petroleum-products export market is the United Kingdom. But now the British have built the National Oil Refineries, Ltd., near Swansea, Wales; this plant, with another refinery at Abadan, on the Persian Gulf, both of which belong to the Anglo-Persian Oil Co., will soon be able to supply at least one-half the total consumption in the British Isles—at least in gasoline, kerosene and fuel oil. In short, sales in our best oil-products market are soon to be cut 50 per cent. And the British Government owns the control of the Anglo-Persian Co. The widely ramified interests of the British in the petroleum resources of the world—mainly acquired by or for this one company—are indicative of the extent to which Britain's policy of government-owned oil has developed.

Following the acquisi-

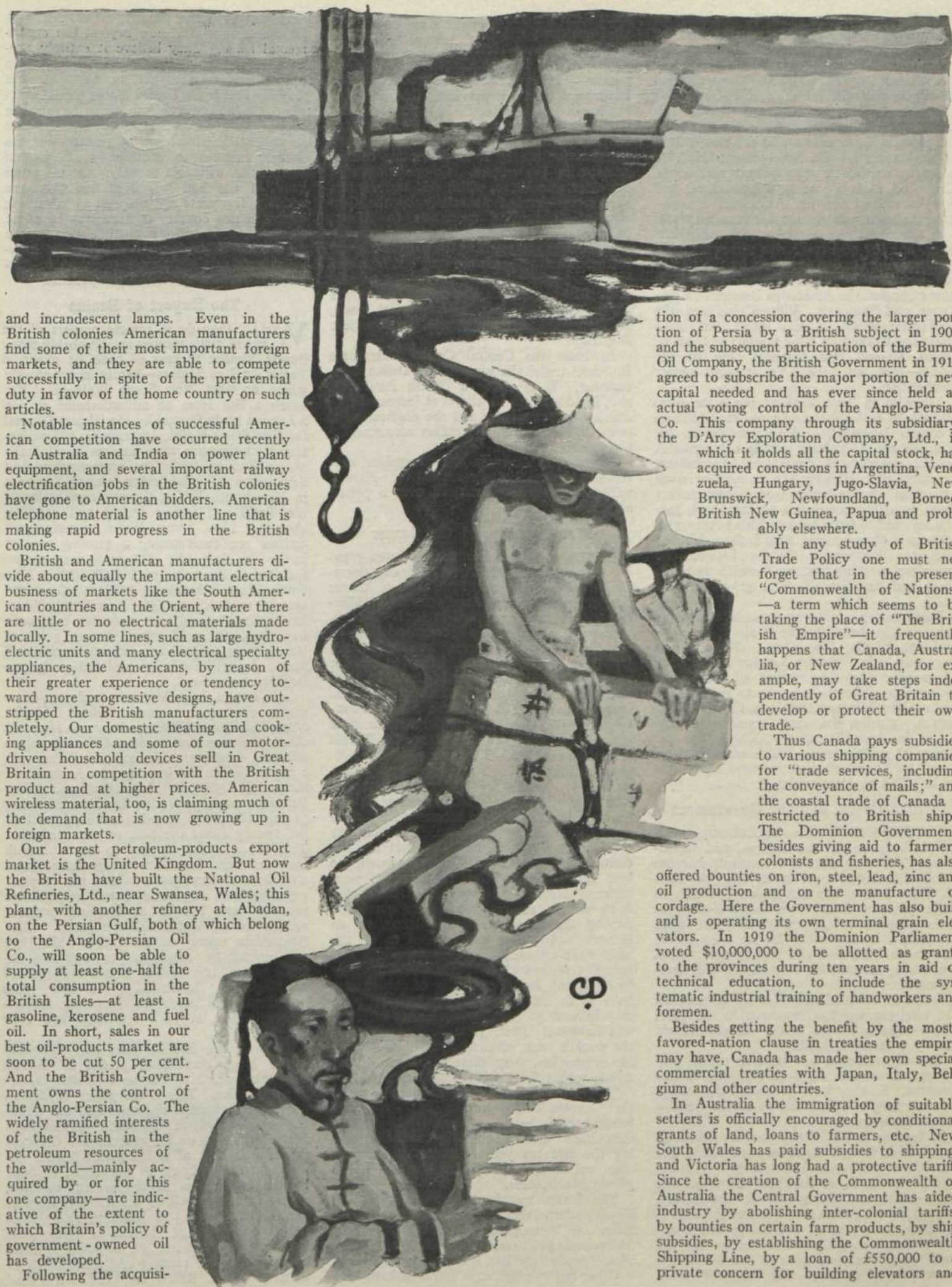
tion of a concession covering the larger portion of Persia by a British subject in 1901 and the subsequent participation of the Burma Oil Company, the British Government in 1914 agreed to subscribe the major portion of new capital needed and has ever since held an actual voting control of the Anglo-Persian Co. This company through its subsidiary, the D'Arcy Exploration Company, Ltd., in which it holds all the capital stock, has acquired concessions in Argentina, Venezuela, Hungary, Jugo-Slavia, New Brunswick, Newfoundland, Borneo, British New Guinea, Papua and probably elsewhere.

In any study of British Trade Policy one must not forget that in the present "Commonwealth of Nations"—a term which seems to be taking the place of "The British Empire"—it frequently happens that Canada, Australia, or New Zealand, for example, may take steps independently of Great Britain to develop or protect their own trade.

Thus Canada pays subsidies to various shipping companies for "trade services, including the conveyance of mails;" and the coastal trade of Canada is restricted to British ships. The Dominion Government, besides giving aid to farmers, colonists and fisheries, has also offered bounties on iron, steel, lead, zinc and oil production and on the manufacture of cordage. Here the Government has also built and is operating its own terminal grain elevators. In 1919 the Dominion Parliament voted \$10,000,000 to be allotted as grants to the provinces during ten years in aid of technical education, to include the systematic industrial training of handworkers and foremen.

Besides getting the benefit by the most-favored-nation clause in treaties the empire may have, Canada has made her own special commercial treaties with Japan, Italy, Belgium and other countries.

In Australia the immigration of suitable settlers is officially encouraged by conditional grants of land, loans to farmers, etc. New South Wales has paid subsidies to shipping, and Victoria has long had a protective tariff. Since the creation of the Commonwealth of Australia the Central Government has aided industry by abolishing inter-colonial tariffs, by bounties on certain farm products, by ship subsidies, by establishing the Commonwealth Shipping Line, by a loan of £550,000 to a private concern for building elevators and



silos, by a protective tariff, by financing an Institute of Science and Industry and by helping form pools for marketing wheat, wool, sugar, fruit, etc. Here, too, the Government has offered a reward of \$250,000 for the discovery in Australia of mineral oil in paying quantities. To give Australia cheaper oil until they, perhaps, discover some at home, the Federal Government and the semi-official Anglo-Persian Oil Co. have jointly formed a company and built a refinery near Melbourne. Crude oil from Persia is shipped here, and will be refined for the Australian States—meaning more competition for American oils.

A significant sign that Australia will, hereafter, hoe her own trade row somewhat independently of London is shown by the rise of her powerful Board of Trade. With it is now embodied the Australian Bureau of Commerce and Industry. With China and the Philippine Islands, India, Japan, etc., Australia has worked up a big volume of trade of which we—on this faraway side of the world—know but little. Yet it spells keener competition.

Likewise in New Zealand the state owns and works coal mines and gives cash aid and technical laboratory aid to prospectors for minerals and to private mining concerns. A special government department administers the kauri-gum industry; the state, also, builds and runs hydroelectric works, and makes loans to dairy companies to buy land, machinery, and to build barns. This government interest in industry may have had much to do with the long-drawn dispute between an American packing company which operates there and the New Zealand government in 1922.

Furthermore, inside agreements are sometimes made between the United Kingdom and one of the Dominions. Thus a contract now exists between London and Sydney whereunder the Government of the Commonwealth of Australia agrees to sell and the United Kingdom agrees to buy the whole exportable surplus of zinc concentrates and slimes in Australia up to 300,000 tons per annum at certain prices which were fixed till June, 1923, and then determined by a formula. This contract expires in 1930.

British Cotton and the Government

GOVERNMENT aid to agriculture is seen in Jamaica, British Guiana, and Barbadoes. The Canadian Government, because much of Canada's sugar comes from the British West Indies, has distributed fertilizer to sugar planters there on a deferred-payment basis. Our own high import duty on sugar, our prohibition law, which hit the West Indian rum trade hard, and the British preferential are costing us some business in this old, nearby market.

Down in Trinidad, too, through government aid, sisal-growing has increased to the point where exports can be made. A government factory is set up at Lititz.

The sharp decline in American cotton production in recent years is worrying British spinners. So they have prompted their Government to give official aid to cotton-growing within the empire.

In fact, an unofficial organization known as the British Cotton Growers Association has existed for some years; and, largely as a result of its work, it has been demonstrated that cotton can be grown in the Sudan, Nigeria, South Africa and Western Africa.

Lately, however, what from increased apprehension among British spinners and the tendency of American mills to handle a larger percentage of our crop, the British Govern-

ment itself has shown more concern over this vital question; and John Bull now stands as god-father to a semi-official organization known as the Empire Cotton Growing Corporation. It has caused the introduction into Parliament of a bill providing that a contribution of 6d. for each 500 pounds gross weight of cotton purchased by spinners must be paid in to this government-spawned corporation for use by it in promoting cotton-growing in the empire. Co-operating with the older association, which still thrives, this new group—backed financially by the Government—is sending specialists to Africa, Mesopotamia and elsewhere, starting experimental farms and teaching the natives to grow cotton. Planting-seeds are sent out free, and in some places minimum prices are guaranteed. The corporation also makes cash grants for scientific research, fighting plant pests, increasing the yield and general improvement of quality.

In India the Central Cotton Committee functions under the wing of the Indian Government. It is really a British institution, and, in addition to its efforts at increased production, better quality and the eradication of pests, it also studies and makes recommendations as to irrigation.

Likewise, in Australia and Queensland cotton-growing associations are active. Here a minimum price is guaranteed over a period of years.

Not Yet Around the Corner

ENGLAND is also encouraging cotton-growing in Brazil. Mr. Arno S. Pearce, Secretary of the International Federation of Master Cotton Spinners and Manufacturers of Manchester, was sent to Brazil in 1921. After a thorough study he made recommendations to the Brazilian Government looking to the growth of better varieties, improved ginning processes and increased production. In 1922 Mr. Pearce and other British cotton men again went to Brazil to attend a cotton conference. Delegates from other nations were also present. After the conference the British delegation remained to make a survey of cotton possibilities in the Northern Brazilian states.

In spite of all these efforts, however, Britain has not as yet materially increased her actual supply of home-grown cotton. Probably her chief accomplishment has been that she has discovered where cotton can be produced, the best and cheapest, when the hour of need arrives. However, in various of these new fields she has serious obstacles to overcome. Among these are inadequate labor, or an ignorant native race not inclined to do the hard work connected with cotton crops, and lack of transportation. These difficulties may be overcome, but the scarcity of cotton may have to be more pronounced, and the price may have to go considerably higher before it will be done. Prof. John A. Todd, one of the world's most eminent authorities on cotton production, in speaking of the growing of cotton within the British Empire, has said:

"It would, however, be misleading to imply that empire cotton-growing has even now finally turned the corner or surmounted all its difficulties. The fact must be faced that during the last ten years the empire has lost more cotton in certain directions that it has gained in all others."

The losses mentioned are principally in Egypt, where the production per acre has fallen off from about 520 pounds to about 350 pounds per acre, and in the West Indies, where production has severely decreased.

Other representatives of Great Britain have

remarked that the production of cotton in British territories is now beyond the experimental stage. They believe it entirely possible to produce cotton in large quantities in the African colonies and in Australia; but they say that if the United States should overcome the boll weevil and again be able to supply the world at a much lower price than at present, it would not be possible for the British colonies to continue production in competition with this country. On the other hand, if the boll weevil is not overcome within a few years and the cost of producing cotton in this country continues to be about 30 cents, it is entirely possible that cotton production in certain of the British territories may gain sufficient momentum to continue in face of American competition.

The Export of Brains

WHAT they do in remote corners of the world often escapes us. Probably many honest Yankee makers of tools or plows in Peoria or Des Moines—hardly know exactly where or what New South Wales is. Yet here's a line from an advertisement run in a London trade journal by the "Agent General for New South Wales, Australia": "Manufacturers supplying a large market in Australia are invited to study the opportunities and advantages of establishing branch factories in New South Wales, thereby coming inside the Tariff and saving freight and handling charges. New South Wales manufactured articles are commanding a growing market in the Far East. In 1910 goods were manufactured to the value of £19,600,000 in New South Wales, whereas in 1920 this figure increased to £136,000,000. New South Wales has an abundance of raw materials, e. g., coal, iron, steel, tin, gold, silver, copper, precious stones, wool, wheat, etc., and new capital will find a fruitful field for exploitation by enlarging production."

The empire is so big, and made up of so many divergent countries whose climate, crops, industries and people vary one from the other, that common trade policies are often difficult. Last year, for example, Britain got a preference on her imports into Australia of nearly £5,500,000; but Australian imports into Britain enjoyed a similar benefit amounting to only £250,000. In other words, John Bull got twenty times the best of the Wallabies. This led a Sydney paper to say: "British manufacturers for many years have urged Britishers to buy goods within the empire; yet American, Argentine, Greek or Japanese products are bought in England without recognition of Australian-made goods." The Australians openly complain that while they are moved by sentiment to buy British-made wares, this feeling is not reciprocated in England. Incidentally, of late years American-made goods are becoming increasingly popular in both Australia and New Zealand.

There is one British asset that indirectly brings large cumulative profits to British enterprise, which cannot be measured in dollars and cents. This is the policy of British migration to foreign countries and the establishment of British controlled organizations abroad which go on for generations. One case in point is that of a Rumanian-British import and export house in Bucharest, founded by the grandfather of the present director, whose father as well as himself was born in Bucharest, educated in England, returned to his foreign place of business in every sense British, yet possessing an inherited intimate knowledge of the country and its methods of doing business. British concerns of this kind

are found all over the Balkans and the Near East.

The realities of purse and platter are above political experiments, the British say. France may play at German-baiting for the sheer political adventure in it. Not so with trade-hungry Britain. Some Englishmen may still believe that they fought Germany to rid themselves of a powerful trade competitor. What actually happened is that they lost their best customer.

"It is no longer possible to speak of our tight little isle," a prominent Englishman said to me. "We are becoming inextricably a part of Europe's economic structure; from now on Europe's problems are England's problems." So, as a London paper has expressed it, "A thriving Germany is necessary for a prosperous Britain. The restrictions on her recovery are restrictions on ours. This is the whole of our trouble with France. The problems of France are political. She is insensitive to the economic needs of Europe and ourselves. It is neither superior virtue nor peculiar baseness in British policy which throws its emphasis on the objective economic side. It is simply the law of our being. Three-fifths of our population must live by foreign trade or not at all. Our day-to-day existence depends on a flourishing trade. While it languishes, we languish. The case of no other country is comparable."

Nor are they wasting vain hopes on impossibly fat reparations payments; it's not the payment to them of war debts, but rather the earnest effort and thrift of every man in every class and the payment of big taxes for years to come, that will finally bring back normal prosperity.

Probably few people realize how much the dwellers within the United Kingdom owe for their food, clothing and daily comforts to the watchful foreign trade policies of the government; and totally immersed though we are in our own immigration problem, we yet sympathize with England's million and a quarter of unemployed and her efforts to promote migration. Under the Empire Settlement Act £500,000 is voted this year to aid emigration "under the flag," this to be increased to £3,000,000 in "normal years." Thus, too, she enters on a policy for the development of the thinly-peopled parts of the empire by financing homeseekers. These, in turn, are given grants-in-aid, farm loans or whatnot by the colonial governments under whom they settle.

The Imperial Economic Conference

IN A FEW weeks the Imperial Economic Conference meets at London. Here delegates from all the units in the Empire meet to formulate imperial trade, financial, shipping, emigration and other policies. Above all other topics in general interest will be the question of adopting a policy looking toward the self-sufficiency of the empire—that is, of maximum buying and selling within the empire itself. To foster such inter-empire trade, imperial preference is a possibility.

Already the Federation of British Industries has presented to Government a detailed program of the recommendations it plans to make when the conference meets in October. Among other things the federation urges that the resources of the empire be developed to the maximum by British capital, enterprise and settlers. It realizes that industrial development in some of the Dominions is gradually making them keen competitors of United Kingdom-manufactured products; but it hopes to mitigate this condition by seeing to it that American, German or other foreign capital in-

vestment in these Dominion industries is kept down to the minimum.

In urging that the United Kingdom should buy more from the Dominions if it expects them to buy from it, the federation also asks for increased migration to the Dominions, since such an influx of workers and producers would naturally develop colonial resources and eventually stimulate the purchase of British goods. Finally, uniform anti-dumping laws and customs duties are asked throughout the empire.

The various parts of the empire are together rich enough to be self-contained and self-supporting, the federation insists, if the idea of economic unity can be realized. Among other reasons which they advance in support of this policy is the idea of "safety and integrity of the empire"—safety, as regards supplies of necessary materials in the event of war; integrity, as regards a bond stronger than mere kinship and intangible political ties to hold the empire against progressive dissolution following divergence of economic interests. Such an imperial trade policy, and reflected in tariff agreements, would, they say, be a weapon against such nations as sought to put high import duties on British goods—meaning, of course, the United States. From the colonial adherents to this policy is heard the sentiment that their products should enjoy greater advantages over non-empire goods in the markets of the United Kingdom in return for the consideration now shown to British wares entering colonial markets.

Many for Russian Recognition

AMONG those organizations urging recognition of Russia stands the Imperial Commercial Association—a group of leading banks, traders, manufacturers. It points out that there is as much freedom under Lenin as there was under the Czar; and that in spite of murder and pillage, the Soviet is now the oldest government in Europe, that is, the oldest in point of continuous administration. Although the Trading Agreement that England tried to make with Moscow has failed, the Russian delegation to London organized "Arcos, Ltd."; and in 1922 this concern did business amounting to millions of pounds, it is said. But, argues the British Association, the Russians profit both ways on these deals! Incidentally, this association is one of the tightest in the empire. Its object is to supply credit ratings, investigate business opportunities and answer general trade inquiries. But no man can belong who is not British-born.

That London is again becoming the world's financial clearing house is indicated by her trade figures and mounting foreign investments. Board of Trade official estimates show her net trade balance at £155,000,000 for 1922; this, of course, includes invisible items, however, like the earnings of shipping, traders, banks and insurance companies abroad and the returns from overseas investments. During the same year, says the London Joint City and Midland Bank, new British capital to the tune of £135,000,000 was invested abroad. The total of British foreign holdings is estimated at about £3,000,000,000 today.

"British industry has quite emerged from the trough of post-war depression," says Dr. Douglas Miller, of the U. S. Department of Commerce. "The iron and steel industry, which showed a gain of 70 per cent in 1922, shows a further gain of 50 per cent for the first three months of this year. The coal output is in excess of pre-war figures and is still unable to cope with the Continental de-

mand due to the Ruhr occupation. British foreign trade increased 20 per cent last year and is still on the upgrade. Arrivals and departures of shipping in British ports are now 25 per cent above the figures of a year ago. The textile industry has shown a slight improvement, and the general level of wages in many trades has fallen until British exporters are able to quote competitive prices in the world's markets. All signs point to a continued period of expansion."

British Score at Nauru

BY A happy but hardly fortuitous arrangement made at the Peace Conference a little Pacific isle called Nauru that once was Germany's is now administered by a joint commission made up of government officials from Australia, New Zealand and the United Kingdom. Here there is available about 100,000,000 tons of some of the highest-grade phosphate known to exist. Each year about 365,000 tons are exported, most of which goes to Australia. As one ton of phosphate makes nearly two tons of superphosphates after being treated and mixed with sulphuric acid, this gives Australia something over half a million tons a year of this valuable fertilizer. Here again the British Government scored; and we were offered the mandate for Armenia!

Only the high spots in British foreign trade policy can be hit in so short a story. But here are facts enough to show an unmistakable trend to paternalism and government control. A few of these schemes may be only temporary. The Export Credits Act, for example, may be used only to tide trade over until banks and private companies are ready to assume all its functions. But undoubtedly the studied development and eventual permanent growth of fixed trade policy is seen in such measures as:

1. Loans to increase Empire cotton growing.
2. Preferential tariff agreements.
3. Licensing of competitive imports and imposing of duties.
4. Emigration aid, colonizing schemes and grants to colonists.
5. Encouragement of combines among producers and export associations.
6. Direct government loans to private industries.
7. The Stevenson or rubber-production-control act.
8. Actual government ownership in shares of industrial concerns.

It is significant that up to 1914, John Bull owned stock in only two enterprises—the Suez Canal and the Cunard Steamship Company; today he has put millions of pounds into widely scattered industries. Now he owns shares in the Anglo-Persian Oil Co., in the Dutch Shell, the Dyestuffs Corporation, The British American Nickel Corporation of Canada, the British Farina Mills, the British Cellulose Chemical Manufacturing Co., the Turkish Petroleum Co., the Chepstow Property Co., the Commercial Bank of Siberia, and many others.

The calamity-howler is still busy, of course. The folly of France, the mess in the Near East, the army of unemployed, agitation for coal mine nationalization, the increasing impudence of Hindus and Bengalis, the sins of Cairo and Bagdad, are all food for his fears. But while he views with alarm, John Bull points with pride—points to debt-refunding, a sound budget, a growing trade—even if there are a few shallow cracks in the face of his empire, just as there are cracks, centuries old, in the face of the Sphinx.



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SAMUEL REA
President, Pennsylvania Railroad System

Here and in the following pages are some of the men who are working in the National Chamber's Transportation Conference. They are representatives of various groups, industries and points of view.

Forward Move in Transportation

By LOWELL MELLETT

A NATIONAL TRANSPORTATION CONFERENCE is to be convened in Washington to discuss the health of the railroads, the waterways, the motor transport services, the trolleys and such other institutions as help deliver the goods in these United States.

Note that the discussions will concern the health, not the ills of America's transportation. That is what makes this conference worth writing about. The sort of transportation conferences to which the country has become more or less accustomed have been depressing affairs. Some have been enthusiastic enough, but it has been with the enthusiasm of a sanatorium sun-parlor bridge party relating its personal symptoms.

There is to be little of that at the coming conference of railroaders, bargers, truckers, farmers, laborers and consumers. These gentlemen are getting together to work upon a constructive program, not to tell one another where they feel the pain most. Sufficient therapeutic language having been used to remove any suspicion of indelicacy, it can be stated in easy Anglo-Saxon that there is to be no bellyaching.

The Anglo-Saxon is borrowed from a pithy paragraph uttered by an eminent member of the President's cabinet some months ago. He could have used a more indirect phrase, but he didn't. He wished to be clear. He could have said: "I have been sitting in my office two years waiting for somebody to offer a constructive program. Somebody who will accept our ills 'as read' and go on from there without more ado."

And, it is related, that thereupon the anatomical demonstrations began to abate. One began to hear less talk of the perfectly outrageous conduct of the Interstate Com-

merce Commission, less concerning hours wasted waiting on the Government or in preparing reports for the Government, less dire predicting of what would happen if these amateur government experts would try to run the railroads just once themselves.

This was in the period when the present transportation conference was having its inception. An informal survey of the situation had been made last winter, revealing that while the railroad tonnage moved during the fall had exceeded all previous records, there had been serious losses in some industries, due to inability to reach markets. Particularly heavy losers had been the farmers.

Railroad ton-miles had trebled in twenty years. What would happen in the next twenty years? How well would the railroads be prepared to meet a similar increase and to what extent would other transportation—waterway, electric and motor transport—be developed to meet the need? If transportation systems must expand, how would the money be provided for the expansion? What relation could be forecast between transportation systems and the Government, federal and state: what, indeed, should the relation be?

These questions seemed important enough, not only to the transportation interests, but to the whole people, to demand answers. Among those seeking the answers were Julius H. Barnes, president of the U. S. Chamber of Commerce, and the cabinet member unnamed in preceding paragraphs. They utilized such opportunities as presented themselves to sound out men engaged in transportation. For a time it was discouraging. Some of the railroad presidents, for example, seemed to think they had been asked to tell the harrowing details of their latest operations.

Then there occurred a different sort of

party. Some motor transport men were present. They discussed the national transportation problem without whimpering. The proper field for motor transport, said one of them, was not in competition with the railroads, but in cooperation with them; his idea was to serve the railroads, not to fight them. Long-distance trucking was proving a transportation fallacy. The short haul was their field. They could help solve some of the serious terminal problems for the railroads and could help avoid the always recurring October congestions, perhaps.

Another motor transport man spoke. He did not speak as a competitor of the railroad men, but as a shipper on the railroads. He took some figures out of his pocket to show what a large percentage of the total tonnage on the railroads is furnished by the automobile industry. He complained that his company was compelled to deliver altogether too many of its cars from the factory on their own wheels. He wasn't concerned so much about rates, he said, as about service. In any case, it would be cheaper to deliver all their cars by rail.

He hoped the railroads would put themselves in position to handle this business and opined that all industry, all shippers, would support a movement to improve railroad transportation. But they must know what form this movement should take.

Hope had entered into the situation. More hope appeared when one of the railroad men present next spoke. He was compelled to agree, he said, that perhaps there had been a little too much-er-what the cabineter had said, on the part of the railroads.

With this new element in the atmosphere, Secretary Hoover acceded to President Barnes' suggestion that a representative group



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of transportation men be got together to plan a general study of the subject embracing the views of all interests affected by transportation. He agreed to attend, though not in his official capacity, a preliminary meeting in New York. This meeting was held and it was decided that the subject divided itself naturally into the following five questions:

1. Government relations to transportation.
2. Railroad consolidations.
3. Readjustment of relative freight rates.
4. Relation of highways and motor transport to other transportation agencies.
5. Coordination of rail and waterway service.

It was decided that a general committee, large in size and representing a wide variety of interests, should be formed and that it should be divided into subcommittees to consider the five subjects. The result, then, was the following subcommittees:

COMMITTEE I.—Governmental Relations to Transportation: Chairman, GEORGE A. POST, President, Geo. A. Post Company, Inc.; WM. D. B. AINEY, Chairman, Pennsylvania Public Service Commission; THOS. C. ATKESON, Washington Representative, National Grange; O. E. BRADFUTE, President, American Farm Bureau Federation; ROY D. CHAPIN, Chairman of the Board, Hudson Motor Car Company; W. R. COLE, President, Nashville, Chattanooga & St. Louis Railway; SAMUEL O. DUNN, Editor, *Railway Age*; JOSEPH S. FRELINGHUYSEN; HOWARD HEINZ, President, H. J. Heinz Company; WALKER D. HINES, Attorney-at-law; HALE HOLDEN, President, Chicago, Burlington & Quincy Railroad Company; EDWIN T. MEREDITH, Publisher, *Successful Farming*; JUDGE EDWIN B. PARKER, Umpire, Mixed Claims Commission, United States and Germany; L. E. SHEPPARD, President, Order of Railway Conductors; LEWIS B. STILLWELL, Consulting Engineer; SAMUEL M. VAUCLAIN, President, Baldwin Locomotive Works; PAUL M. WARBURG, International Acceptance Bank; DANIEL WILLARD, President, Baltimore & Ohio R. R.

COMMITTEE II.—Railroad Consolidation: Chairman, CARL R. GRAY, President, Union Pacific Railroad; HENRY BRUERE, Fourth Vice-President, Metropolitan Life Insurance Co.; J. A. CARPENTER, President, Kansas City Paper

House; CLYDE DAWSON, Dawson & Wright; W. N. DOAK, Vice-President, Brotherhood of Railroad Trainmen; HOWARD ELLIOTT, Chairman, Northern Pacific Railway; JOHN E. OLDHAM, Merrill, Oldham & Company; H. A. PALMER, Editor, *Traffic World*; SAMUEL REA, President, Pennsylvania Railroad System; G. W. SIMMONS, President, Winchester Simmons Co.; A. W. SMITH, Special Counsel, U. S. Railroad Administration; JOHN P. WALLACE, Editor *Wallace's Farmer*; THOMAS E. WILSON, President, Wilson & Company.

COMMITTEE III.—Readjustment of Relative Freight Rate Schedules: Chairman, F. A. DELANO; H. M. ADAMS, Vice-President, Union Pacific System; SIDNEY ANDERSON, Member of Congress; DR. FRANK APP, New Jersey Federation of County Boards of Agriculture; JOSEPH M. BELLEVILLE, General Traffic Manager, Pittsburgh Plate Glass Company; B. CAMPBELL, Vice-President, New York, New Haven & Hartford Railroad Co.; EDWARD CHAMBERS, Vice-President, Atchison, Topeka & Santa Fe Railway System; ARCHIBALD FRIES, Vice-President, Baltimore & Ohio Railroad Co.; E. J. FROST, Vice-President, William Filene's Sons Co.; P. L. GERHARDT, Vice-President, Bush Terminal Company; DWIGHT B. HEARD, President, Dwight B. Heard Investment Company; FRANK F. HENRY, Washburn-Crosby Company; G. H. INGALLS, Vice-President, New York Central Lines; CHAS. S. KEENE, Vice-President, American Tobacco Company; ALEXANDER LEGGE, President, International Harvester Company; A. J. LOVELL, Vice-President, Brotherhood of Locomotive Firemen & Enginemen; W. C. MAXWELL, Vice-President, Wabash Railway Co.; E. M. POSTON, New York Coal Company; A. R. SMITH, Vice-President, Louisville & Nashville Railroad Co.; C. E. SPENS, Vice-President, Chicago, Burlington & Quincy Railroad Co.; P. C. SPRAGUE, Traffic Manager, M. A. Hanna Company; THEODORE F. WHITMARSH, President, Francis H. Leggett Company; J. G. WOODWORTH, Vice-President, Northern Pacific Railway Co.

COMMITTEE IV.—Relation of Highways and Motor Transport to Other Transportation Agencies: Chairman, A. H. SWAYNE, Vice-President, General Motors Corporation; W. J. L. BANHAM, General Traffic Manager, Otis Elevator Company; L. W. CHILDRESS, President, Columbia Terminals Company; D. C. FENNER, Engineer and Manager, Public Works Department,

Mack Trucks, Inc.; GERRIT FORT, Vice-President, Boston and Maine Railroad Company; PHILIP H. GADSDEN, Vice-President, United Gas Improvement Company; W. H. LYFORD, Vice-President and General Counsel, Chicago & Eastern Illinois Railway Company; R. H. MATTHIESSEN, President, Motor Haulage Company; JOHN D. MILLER, President, National Milk Producers' Federation; H. H. RAYMOND, President, Clyde Steamship Company; ARTHUR T. WATERFALL, Vice-President, Dodge Brothers; HENRY J. WATERS, Editor, *Weekly Kansas City Star*; ROBERT C. WRIGHT, General Traffic Manager, Pennsylvania Railroad System.

COMMITTEE V.—Development of Waterways and Coordination of Rail and Waterway Service: Chairman, W. L. CLAUSE, Pittsburgh Plate Glass Company; MAJOR GENERAL LANSING H. BEACH, Chief of Engineers, War Department; CHARLES P. CRAIG, Vice-President at Large and Executive Director, Great Lakes-St. Lawrence Tidewater Association; EDWIN C. GIBBS; EMORY R. JOHNSON, Dean, Wharton School of Finance and Commerce, University of Pennsylvania; C. H. MARKHAM, President, Illinois Central Railroad; T. C. POWELL, Vice-President, Erie Railroad; M. J. SANDERS, Leyland Line; HARVEY J. SCONCE, Fairview Farm; A. B. SHEPHERD, Vice-President, Interstate Steamship Company; G. A. TOMLINSON, President, Duluth Steamship Company; GENERAL E. H. WOODS, President, Kentucky Farm Bureau Federation.

As this is written these committees haven't yet reported, but it is possible to describe some of the ground fought over in their numerous sessions, and so to give an indication of the interesting matters that will compose the program of the National Conference. Take the Committee on Motor Transport, for first example:

An amazing new spirit revealed itself in the railroad men at the very first meeting. What we wish to do, said the railroad men, is to give more business to the truck lines. They can handle short hauls better than we can. There are great opportunities for them in our terminals and we hope to help them develop these opportunities.

Right back at them came the motor transport men. We don't want any of the railroads' long-haul business, they said. We don't



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comotive Works

think there is any money in it for us; that is, most of us don't and the rest of us are going to find it out when we begin to charge off depreciation and certain other items that have been overlooked. There's really nothing in it.

Well, the railroads wouldn't go so far as to say that. Now they'd be glad to turn over one class of long-haul business to the motor transport lines. The trucks, they said, could haul all the household goods, with the railroads' blessing and God-speed.

Just what the motor transport people would have offered the railroads in return cannot be known, for at this point some frank speaking railroader dropped the topic of taxes into the discussion. Railroads, he pointed out, as many a railroader often has pointed out, help pay the taxes that provide their motor transport competitors with their rights of way—the public highways. A truck spokesman had a ready reply to the effect that the motor industry now pays a much larger share of the country's taxes than do the railroads: \$377,000,000 annually as against \$277,000,000, in round figures. The truckmen had a lot of elaborate tables of figures along this line. The railroad men, stumped for a moment, came back with the figure of \$756,000,000 paid out annually for maintenance of rights of way, as against the motor transport figure for this item of \$600,000,000.00.

The argument ended, in good nature, without a decision, though renewed in the same spirit, at other meetings. A really notable feature of the tax discussions, perhaps, was that little or nothing was said about the need for a reduction of taxes—the thing you might have expected to occur to them first, as it does to most meetings of such character.

Tales were told, fascinating tales for business men, of the manner in which trucks are easing traffic congestion in many of the big railroad terminals, of lessened switching in the yards, of goods moved out of warehouses with such speed as once wasn't dreamed of. Ways of accelerating this service were suggested and many penciled notes filed away in the notebooks of both sides.

Naturally, the motor men did not fail

to drive home the fact that, outside the terminals, their principal function is that of feeding the railroads. The railroad men graciously conceded this and suggested other bits of feed the motor men might divert in their direction. The matter of public regulation of motor transport furnished material for much consideration, with the railroad men able to tell the motor men many things on that subject. The same was true as to provisions for meeting claims and taking care of liabilities and as to the preparation and publication of tariffs.

Every meeting made it clearer that active and increasing coordination of motor and rail transport is to become a fact.

The meetings of the committee on waterways revealed that the number of people who realize that the American rivers and lakes must be put to greater use is growing year by year. Members related many evidences of this, reporting the growth of real sentiment for proper utilization of water transport. This proper utilization, as most of them see it, lies in the direction of coordinating water service to rail service and that brought up the subject of through rates and the principles that should govern in the division of through rates between the two carriers. Should there be a regulation of water rates per se, or only when they are part of joint through rates? Should waterway rates be at a fixed differential below railway rates?

The committee doesn't expect to have the last word to say on these questions at the coming conference, but will be prepared to throw a great deal of light on them. And then, too, it has gathered much illuminating information on what already is being accomplished in the matter of coordination. One example is that of the heavy coal traffic on the Monongahela River, which the railroads could not possibly absorb if that mellifluous stream were to dry up.

Consideration was given to complaints of private owners of Mississippi River steamers that the Mississippi River Barge Line, owned and operated by the Government, is driving private operators off the river, and a point

made that this government line, like that on the Warrior River, had been conducted most of the time at a loss. Their service to shippers, however, was not minimized.

One very useful undertaking of the committee was the assembling of accurate cost statements to make possible an exact study of the relative expense of water and rail shipping. Views on this subject varied widely at the first session, but the committee now has undisputed figures to present.

The committee named to deal with government relations to the railroads will have a lot to report. Without endeavoring to forecast the contents of its report, it is a safe prophecy, perhaps, that it will contain these two words—

—"unthinkable"—
—"inevitable."

These words relate to government ownership or operation of the railroads. Nearly every member of the committee, at some time or other during the discussions, expressed his opinion that government ownership and operation is unthinkable. Nearly every member, however, also expressed the opinion that government ownership and operation is inevitable, unless certain things are done.

The unthinkability of government ownership, in the minds of the most of them, lies in peculiar genius of the American people for individual development as opposed to mass development. They declared that government ownership in foreign countries, as well as government operation in this country, had proved the case for private ownership and operation.

But few blinked the fact that an adequate and well-defined program of development, whereby transportation can be enabled to keep the pace with the country's commercial and industrial growth, must be formulated and carried out, if the unthinkable thing is not to become the inevitable. Such progress was achieved toward a unified policy program, it may be said, that in the view of the committee members at least, this inevitability has grown extremely remote.

If there has been a tendency on the part



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Former United States Senator from New Jersey

of railway management to set itself against government regulation in general or too blindly against specific forms of regulation, it can be said that little of this disposition was shown during the committee's sessions. Little time was spent in questioning the power of the Interstate Commerce Commission to suspend rates, or its methods of fixing railway valuations, its power to determine from time to time what constitutes a fair return, its application of the recapture provisions of the Transportation Act and its distribution of the proceeds of such recapture, its regulation of railway securities, or its efforts to correct intrastate rates that discriminate against interstate commerce.

No such statement can be made as to the labor provisions of the Transportation Act, however. The labor member of the committee made it unmistakably clear that the organized railroad workers are less satisfied with the labor board set up under the act than they were the day it went into effect.

This committee considered what may prove the principal problem confronting the conference, this question being: Where is the money coming from to provide the needed facilities to handle the anticipated growth in freight and passenger traffic? This growth in the next ten years may be as much as 50 per cent. Many millions of new money will be needed. It was agreed at the outset that this money must come from the great mass of individual investors, the savings banks and insurance companies—or from the Government under some form of government ownership. Government ownership having been voted out of consideration, it will be interesting to see what suggestions the committee will have for finding the funds in the other sources named.

The Committee on Relative Rates, composed equally of representatives of the carriers and the shippers, with a balancing bloc of farmers and public representatives, took up the highly-piggledy rate situation of the country as a whole. The approximate order and intelligibility of the rate situation in New England and the Central Rate Territory fur-

nished a basis for tentative plans for technical readjustments. For the first time in any one room approximately complete information on American railroad rates was assembled. For example, Wyoming's 44½-cent rate for carrying 100 pounds 5 miles was brought in and laid alongside of Nevada's 22½-cent rate for doing the same job, Montana's 16-cent and California's 14-cent rate.

One specter that did not show its twin heads was a demand on the part of the railroads for higher revenue through increased rates or a demand on the part of the shippers for decreased rates. But as disparities and inequalities dramatized themselves before the committee's vision, the possibilities of readjustments that would work to the benefit of shippers, public and carriers began to appear. One inference obtainable from the discussions is that it may be possible to raise class rates on many luxuries if a lowering of bulk rates on wheat, flour, building materials, coal and the like could be made to result thereby.

All the old rate questions popped up at one time or another. The battle-scarred long-and-short-haul issue walked in upon the committee and brought along with it the whole controversy over canal competition. This ancient war may be on again or it may not be. The considered opinion of the committee may determine just where it fits into the picture when it gets the picture ready to present.

When the Committee on Railroad Consolidations got together there was unanimity in one thought, viz.: With a law on the statute books since 1920 looking toward the consolidation of the railroads into a limited number of large systems not much progress toward this consummation has taken place and that much other vital progress is being held up pending the completion of a consolidation plan. There was general agreement, too, on many apparent advantages of consolidation, such as economies in capital costs, economies in operating costs—overhead and accounting, traffic solicitation, terminal expenses, shop costs and so forth—improved car supply and interchange, shorter hauls to reach the same

destinations and more economical use of lines. Real competition and improvement in service, with a simplified and more flexible rate structure, were further conceded advantages.

On the financial side nobody disputed that the reorganization of the weak roads which would be necessary in any consolidation scheme would work to the greater stability of the railroad industry as a whole.

Consolidation has its human phase. This was revealed through a certain amount of informal chaffing of the railroad men as to who will get the bigger jobs when the big jobs are combined. More important than that, of course, is the serious question of how effectively authority can be kept decentralized when consolidation of big systems has been made a fact. That is to say, how perfectly can the one big consolidated system maintain its contact with and understanding of its greatly increased local interests? Will the present president of a 4,000-mile system, having been made the president of a 16,000-mile system, endeavor to achieve and maintain that intimate understanding of all the railroad's local contacts that made him a successful administrator of the lesser system? Or will he have to admit the impossibility of this and delegate his authority to executives over sections small enough to admit of close contact and understanding?

The opinion among members of the committee seemed to be that while consolidation will call for greater executive ability on the part of those men called to take charge of the greater systems, it will not lessen the degree of executive ability required on the part of those men left in control of the component parts. In other words, there will remain all the present big jobs, with a few bigger jobs added.

So there you are. Not a forecast of what the coming Transportation Conference will do. He'd be a hardy seer that would attempt the forecast. But an intimation that it will be a large and interesting occasion when all the committees get together to tell one another and the public what they have found.



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Some Freight Rates Are Too Low

It's the Long Haul Car Load That Carries More
Than Its Share of the Burden

By ROBERT S. HENRY

Associate Counsel, Nashville, Chattanooga & St. Louis Railway

CAN a freight rate be too low? To those who have heard much generalization about "high freight rates" and their effects it may come as a surprise to learn that, according to so good an authority as Secretary Hoover, there is in this country a whole body of freight rates that are too low, and were so even before the 1922 reductions went into effect.

While the Secretary of Commerce cannot be said to have originated the thought, his statement before the Interstate Commerce Commission on February 3, 1921, that "an economic analysis of our industry will show that l. c. l. and class rates are far too low as compared to the rates on primary commodities," has challenged attention outside the railroad business to a condition which thoughtful railroad men had long had in contemplation.

Most of us admit that the railroads, essential as they are to all other lines of business, must take in enough revenue to keep going. No railroad, of course, expects to make a profit on every train it runs or every item of business it handles. Like other business it only asks that when the year's operations are over it may show a fair return on the whole business done.

Carrying Freight at a Loss

IT has long been recognized that much passenger service is performed at a loss, on the theory that public service and public good will require it. That there is likewise a large volume of freight service rendered at a loss is not so generally recognized, but that it is a fact, any analysis of the real cost of handling less than carload freight will demonstrate.

Of course, rates on less-than-carload freight are higher than on carloads, averaging perhaps three times as much per ton per mile but are still "far too low in comparison," according to Mr. Hoover.

And Mr. Hoover is right. Whether judged by a standard of cost to the railroad or value to the shipper, the average less-than-carload movement does not carry its fair share of the nation's freight bill.

Freight traffic on American railroads has grown along two lines, not exactly parallel. First and foremost, there is the carload shipment, loaded by the consignor, usually on his own industrial track, and unloaded by the consignee, on his own track or a team track. This class of business, comprising something more than 95 per cent of the country's tonnage, but producing something less than 85 per cent of the railroad's revenue, on the average moves great distances.

The very high importance of this long haul to the railroads is not generally understood. It may be illustrated by a comparison of the situation of the New England roads and the

transcontinentals. The average haul of the New York, New Haven and Hartford is 91 miles, that of the Union Pacific, 441. In spite of the fact that the average New England rate per ton per mile is more than double that of the transcontinental, the returns to the latter from the longer hauls at lower rates are by far the more satisfactory.

Right along with this immense development of heavily loaded full cars, moving long distances, there is the movement of less-than-carload freight, in package cars, moving on the average shorter distances from the jobbing or distributing points to the lesser points of final consumption. This constitutes something less than 5 per cent of the total tonnage of the country and pays something more than 15 per cent of the total revenue, according to testimony of Edward Chambers, formerly traffic director of the United States Railroad Administration and now vice-president of the Santa Fe, in charge of traffic.

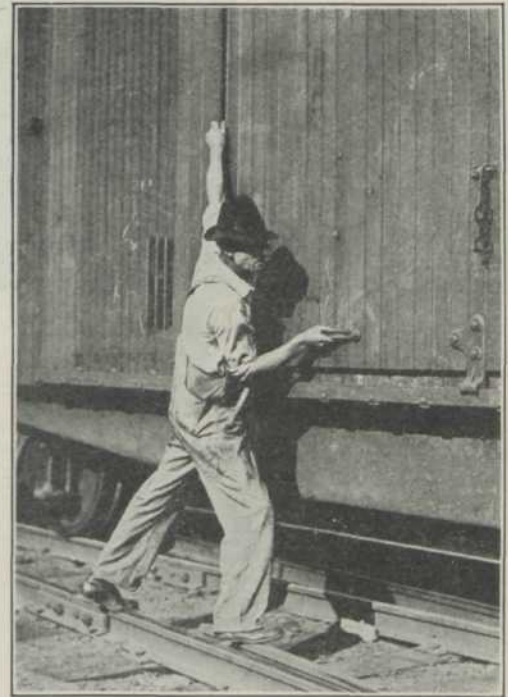
Right at the very beginning of the transaction of shipment, the extra cost of handling the less-than-carload shipment begins. Where the carload shipper loads his own, the less-than-carload man backs his dray up to the station platform. A trucker, paid by the railroad, takes the package from the dray, and its receipt is checked by a clerk. It is passed over a platform scale, weighed, carried to the car and loaded into the car by a stower and his helper, along with other miscellaneous freight.

A clerk makes out a waybill for the package, which, with other waybills for the same car, is finally delivered through the yard office to the conductor of the train into which the car has, in the meanwhile, been switched.

Just that one little item of the waybill throws a high light on the difference between the cost of handling carload and package shipments. A solid carload takes one waybill, regardless of the value of the shipment or the distance it moves. A package car may take a score or more of waybills and each one of them may cover anywhere from one to a dozen or more items, taking just that much more of the clerk's time.

At destination somewhat the same thing is to be gone through with again. The package must be unloaded and put in the freight house. An expense bill must be made out, the freight money collected and the property delivered, after all of which comes audit and accounting. And there is just as much book-keeping for one little package as there is for a solid carload.

All this service costs money. Just how much money it does cost was not realized until accurate studies of cost at a variety of stations were undertaken by carriers. In 1915, before the great increase in railroad costs began, a study of 14 stations in Texas showed an average terminal cost for receiving and



delivering of 17 cents per hundred pounds. A year later a similar study was made of 61 stations, showing an average cost of 18 cents. In 1918 the Railroad Commission of Oklahoma found that the average terminal cost in that state, with many items admittedly omitted, was in excess of 15 cents per hundred pounds.

Post-war costs are, of course, much greater. In 1921 the Illinois Central found that the average at certain stations in Mississippi was 30 cents. In the same year the Nashville, Chattanooga & St. Louis undertook a comprehensive study, selecting two of the larger cities on its lines, Atlanta, Ga., and Chattanooga, Tenn., two smaller cities, Rome, Ga., and Huntsville, Ala., and one typical county-seat town, Calhoun, Ga., for the detailed analysis of costs.

The Handling of Package Freight

THE average cost of handling package freight one way in the Atlanta and Chattanooga terminals was about 12 cents per hundred; at Huntsville it was slightly larger; at Rome it was 15 cents and at Calhoun nearly 18 cents. When it is considered that the movement of package freight is always through two terminals; that it is frequently handled again at an intermediate terminal; and that its ordinary movement is from one of the larger terminals, with its comparatively lower costs, to one of the local points, with its higher costs, it may be seen that an average of 30 cents per hundred pounds for the total terminal costs is not an excessive estimate.

But the excess terminal cost of package freight as compared with carload is not the only item of greater cost. Less-than-carload freight, having already accumulated a terminal cost of 30 cents per hundred pounds without considering line haul, is likewise the most expensive class of freight to handle on the line of road.

The usual railroad practice contemplates three classes of freight train service. First, there is the through train billed solid at one terminal to go through to the next and without stops at intermediate stations except for water or to meet other trains. Second, "house trains," made up principally of cars to be dropped off at various stations and cars picked up at such points, all such cars to be loaded

and unloaded by the station agent and his force. Third, way trains, which move from station to station, the work of loading and unloading freight being performed by the crew.

The ideal condition for every railroad would be to run no more trains than would be necessary to take care of the business if every train were as heavy as its engine could economically pull. That condition is most nearly approximated in the through trains, made up almost entirely of carload shipments. Not only is this class of train the most economical from the standpoint of a minimum operation to handle the traffic offered, but it is also the most economical from a straight dollars-and-cents standpoint of expense of operation per train mile.

The actual crew cost of getting a through train over nine typical divisions of five important southern railroads was found to be hardly more than half the crew cost of moving local freights over the same divisions, assuming that neither set of crews made any overtime.

The comparison was based on a train mile basis, and not on a tonnage basis. Put on a tonnage basis, and checked by one month's actual performance as to overtime and coal consumption, 15 divisions of 50 southern roads showed that the crew cost per net ton mile averaged 6 times greater on local than on through trains, while it took more than twice as much coal to move a ton of freight on a local train as on a through train. And wages and fuel, it will be remembered, stand first and second in the list of railroad expense.

Some of the reasons for these facts were brought out in the studies made by southern carriers. On the 15 divisions studied, through trains averaged 125.47 miles, while the average run of locals was only 71.96 miles, yet the average time on the road was greater in the case of local trains. The net tons hauled one mile by the through trains were 568, by the locals 265; the net ton miles per hour the train was on the road were 8,610 for through trains and only 1,942, or less than one-fourth that amount, for the locals. This is a very valuable comparison, including as it does the time element, as well as the other elements of operation. In these

times when the railroads are straining every resource and urging the cooperation of shippers in more intensive use of railroad facilities to ward off a possible car shortage, the comparison of loadings of less-than-carload cars with full carloads of like products are especially interesting.

The fact that the ordinary merchandise car moving from jobbing to consuming centers is loaded far beneath its capacity was shown by a check made at 12 southern jobbing points, in which 10,025 cars, taken as they came, were averaged, and the average loading found to be 10,000 pounds, in round numbers. This compares with an average load of about 22,000 pounds for solid carloads of merchandise, and a capacity of the box car, for heavy loading, of about 80,000 pounds.

A Solution That Doesn't Solve

THE question has been frequently asked why the carriers do not provide special equipment for these light loads of merchandise. On the face of it such a practice might seem to be economy. The operating officers of the railroads point out, however, that they do not handle solid trainloads of merchandise, but that cars containing merchandise must be placed in trains with other cars and be strong enough to withstand the shock of these trains; that all equipment must be interchangeable in train use; that cars of special design, available for merchandise only, would usually have to be hauled empty one way, instead of being available for heavy loading as the present cars are; and that the assignment of such special equipment would mean increased switching and yard work, with an increase in terminal track capacity to take care of it. To the practical railroad man these objections are so formidable as to be controlling.

To the further suggestion that the quantity and quality of this extensive less-than-carload freight service be reduced, the railroad man answers that it can't be done without a storm of protests against the delays to shipments involved in holding them until full carloads could be accumulated for each station. During the business depression of 1921 certain railroads adopted the practice of running local

freights in one direction only each day. The reaction of the shippers to this arrangement showed that there is no substantial reduction possible through curtailment of service.

So far as the expense of rendering the service is concerned then, it would seem that Mr. Hoover is correct in his belief that less-than-carload freight, with its heavier terminal and line-haul cost of movement, is not paying its way in comparison with the heavier and less valuable commodities which ordinarily move in carloads.

In any discussion of reasonable freight rates the question of the relation of the value of the property moved to the rate always gets itself considered. On that score again the less-than-carload shipment seems to be bearing less than its share.

The goods that move less-than-carload are, comparatively speaking, of high value. That the rate, while higher than carload, is still insignificant as compared with the value of the articles is indicated by the fact that on claims for loss or damage of less-than-carload freight aggregating \$37,063.47 filed with one railroad, the total transportation charges were \$607.47, or 1.64 per cent of the value of the merchandise handled. These figures, moreover, were secured before the 10 per cent reduction of July 1, 1922, became effective and before the rise in commodity prices began. Investigation of the actual freight rate paid per unit on almost any manufactured or highly processed article will show that the freight rate on the class of goods is a negligible fraction of the cost.

It is on this class of freight movements, where the measure of freight charges is of no real significance to the consumer, or to the producer so long as a fair relationship between points of production is maintained, that, in the opinion of many sound traffic men, the American railroads are daily losing money, or at best are not making a profit.

It is admitted that the railroads, absolutely essential to all business, must take in enough to keep going. Obviously, if the higher priced goods which require the more expensive handling and involve the greater risk to the railroads, are paying too little, the loss must be made up somewhere else, where, perhaps, the freight rate is a factor of real consequence.

Recognition and Mexican Trade

By a FORMER U. S. CONSUL

UNCLE SAM has tipped his tile to the spangled sombrero below the Rio Grande. Mexico is "recognized," at last—hailed back into the family of nations. Now France and England will yield, with the same fine diplomatic gesture.

To get this glad hand, Mexico had to unmake some pet laws and promise to be good. Can she? *Quien sabe!* The world hopes. Diplomacy waits to see. And a host of determined Yankees, millions at stake in Mexican mines, oil and lands, work grimly on. For twelve turbulent years they've muddled through, alone. Somehow, since Vera Cruz, the Columbus raid and Carrizal, the cautious moves of statesmen bring no great comfort to Americans in Mexico.

What does it mean to you and me, this recognition? How will it help this wobbly, war-weary sister republic of ours; and what kind of a Mexican government is it, anyway, that has at last repented, had its sins for-

given, and been extended the right hand of international fellowship? Is this just a death-bed repentance or will Obregon's government get well now, and live?

Quien sabe again. It's a pretty sick regime, the diplomatic doctors sagely say—enumerating all sorts of maladies like labor unrest, radical socialism and red ideas right from Russia.

It's an Indian rule, sociologists say, a new blend of Communism and Democracy, minus even one lone leader trained in the fine art of modern government. Dramatic it is, and romantic enough, this thought that now, for the first time since Cortez conquered Montezuma, we see Indians back on the Aztec throne, monarchs of Mexico!

But recognition—do these Indians know what it means, or what new obligations it puts them under, to foreigners in Mexico? For years they've robbed, killed, and gone unpunished. Can they calm down now, and

help run Mexico in a way that will make it a safe place for Americans to live, and do business? Another *Quien sabe!*

Here's an odd paradox. Mexico's the richest country in the world for her size, yet her people are mostly paupers. Her civilization is the oldest in the western hemisphere. But only 8 or 9 per cent of her population can read and write. We're told that one man in seven can't even speak Spanish, and that between Sonora and Yucatan 55 different dialects are spoken.

Yet despite this confusion of tongues, and our popular idea of this apathetic, inarticulate Indian, under our very eyes he has staged the most far-reaching land reform the western world has ever known. It's the greatest agrarian drama since Russia's. Through the rough years that we kept "hands off" and let Mexico stew in its own evil juice, these peons shot their way up from slavery to power, and finally accomplished a nation-wide "divi-

sion of land." Meanwhile, they swept their country fairly clean of the great land barons who had held them in bondage for centuries.

Today, Americans own maybe \$1,500,000,000 worth of property in Mexico. No accurate estimate of it is possible. We only know that our foreign investments are greater there than anywhere, Canada excepted. Thousands of our people live there, and more are going—especially since the White House and Chapultepec have buried the hatchet. Mexico is our next-door neighbor; her backyard joins ours for some 2,000 miles. She's our best customer in all Latin America—and Latin America may be a better customer now than Europe. And from her each year we get millions in copper, silver and gold, in oil, and in that most necessary fiber, the hennequin or sisal, from which binder twine is made. We take practically all Yucatan grows, and without it our modern binders would be helpless, for no substitute has been found. It's old stuff to say how much it hurts us—and hits our pocketbooks—if our southern neighbor runs a disorderly house. Hence every good American wants Mexico to calm down, to prosper, and enjoy the blessings of honest, capable government.

Not All Smooth Sledding Ahead

YET, undeniably, mere recognition means but little. We know, and thousands of Mexican merchants and planters realize what a stimulus recognition is to capital seeking investment in Mexico. It will mean new mines opened, ranches restocked, irrigation ditches dug, good wages for starving peons, increased trade and hence more tax receipts for the Mexican Government. That is, it *can* mean all of this, and infinitely more. But it may mean nothing, unless the Government there is willing *and able* to keep its promise, and shoot straight with us.

That's the hair on the cocoanut! Recognition, admission to the family of nations, obligates Mexico to *act* like a member in good standing.

Yet thousands of Mexicans haven't even heard that their country was ever banned by certain civilized powers; or that it has just been restored to grace, after promising to treat foreigners fairly. Most of them aren't aware that such a diplomatic institution as "recognition" ever existed. That's Mexico's main malady—the profound ignorance of the masses.

It would be folly even to hope, then, that these Indians—after ten wild, free years of rape, robbery and loot—should suddenly settle down to peaceful pursuits and begin all at once, now that they're recognized, to show courteous consideration for the treaty rights of foreigners. Plainly, there's still much rough sledding ahead, for both Uncle Sam and the man in Chapultepec.

Take cheap land, for example. That's the investment lure taking many Americans to Mexico. In our southwest, especially, all sorts of Mexican land-selling schemes are afoot. To protect Yankee property owners already below the Rio Grande, and these newcomers, was a principal aim of the American-Mexican understanding. Till confiscatory laws were repealed, we would not recognize Mexico. But in spite of recognition, and the reluctant promises the Mexicans made to gain it, we must not forget—in land, mine and oil deals down there—that the famous old mailed-fist days are over, *fini* forever. "Diaz-potism," with the easy pickings that system of favoritism insured to rich foreign investors, is passed away. During its sway, the cultured half-Spanish *cientificos* brutally exploited the peon; yet, also, they ran a strong government that

lived up to its treaty obligations, and foreigners were safe. So was their property, if they paid the fiddler promptly. And profits were fat enough to give the fiddler a fair cut.

But now these educated men, trained in government and foreign relations, are excommunicated. Not only are their wings clipped, politically; as property holders, their once fine tail feathers are pulled clear out. They're flat. Thousands are loafing in the States; many have been plotting, from this safe vantage, against Obregon. The Mexican consul at Los Angeles says 200,000 live in his district alone. Most of these are workers, true; but thousands are of the cultured class that once gave Mexico a grim yet safe government.

Recognition, then, so far as the future safety of American lives and property in Mexico goes, is immediately important to us only so far as it may help Mexico's present mixture of communistic and democratic government to stay on the job, keep order, and actually protect our interests—not merely *say* it will.

Obregon is the White Hope. Thousands of Americans, in business there for years, swear by him. Unread he is, and untutored. Yet splendidly courageous, and *gifted in the control of Indians*. Full well he knows what recognition means—how much Mexico needs it! He's a shrewd trader himself, not a professional soldier, a statesman—far less a political bird of prey. What wealth he has was saved from honest bean profits on his Sonora farm. American buyers were his customers. In early border days, Americans were his neighbors. Yankee frontier doctors took care of his wife and children, and his family went shopping in Tucson and Los Angeles. Obregon, alone, solved the Yaqui Indian menace, and saved the American colony in the Yaqui Valley from further losses of life and property at the hands of these savages. But to placate the Yaquis he had to compromise; he gave them land. Some of this land—we are told—had previously been held by Americans who still believe their title is good. More work for diplomacy.

So, today, he has to compromise, to placate the millions of Indian peons who put him in power. We cannot blame him, if we recall Carranza's fate. To win soldiers, and then votes, Carranza, yclept the "First Chief," promised free land for Indians. But he was a land baron himself. Once in office, he forgot his pre-election promises. So the Indians killed him.

A Forced Division of Land

OBREGON made the same promises. But not merely to recruit an army, or get votes. As an Indian, he knew himself what the lower classes had suffered—from Terrazas and his ilk. Once in power, he set up the Agrarian Commissions, to cut off certain land from various big estates, and divide it among such poor as petitioned for it.

Big estates are not seized, in toto. They are surveyed, and certain portions condemned. Payment is then offered the owners in bonds or scrip. But so far no means for paying these bonds has been provided. The price fixed for such condemned land—that is, the damages to be paid the owner—is 10 per cent above its assessed value. Free land has now been given to thousands of peons. To date, however, the experiment has resulted in serious crop shortage; the peons, unassisted, are poor farmers. And the big landholders, fearing confiscation, are loath to rehabilitate their war-wasted estates, and much land is idle.

In this forcible division of land, graft creeps in. Obregon knows of this, of course. He

knows that by many a bogus petition, the local politicians and not Lo the Poor Indian grab the land; that by threat and bribe some big landholders save their farms from partition. But he can't stop this all at once. Two evils he has to choose between; continued chaos, or a fair measure of peace, by trying the promised free-land experiment. In his heart he may know that the peon, from lack of cash, adaptability and experience, can't make a fair-sized farm pay. From his own big bean plantation experience, Obregon knows that modern Mexican farming means operations on a big scale, with capital enough to build reservoirs, dig irrigation ditches, buy machinery and hire labor. To build individual irrigation systems on each and every small tract of land, as parceled out to Indians, is unthinkable. Yet Obregon simply *had* to carry out the free-land plan, or follow Diaz, Madero, Huerta and Carranza.

Yet despite its frequent injustice and all its apparent drawbacks, this land division has in it the germs of hope, of peace and new industrial life. The *pelado* or "skinned man," as aristocrats call the peon, has here his first chance in 400 years to get out from under. It's a heroic experiment in government, the Agrarian Reform. If Mexico can get away with it successfully, it will be the greatest economic stride forward in all her groping years.

Labor Legislation Run Wild

TO SEE more of what Yankee capital is up against, in spite of recognition, let us look at labor laws.

The workman is cock-of-the-walk. Every leader is pro-Obregon. It's a 100 per cent labor government, except in name. Under Article 123 of the new constitution, Capital certainly gets the hook!

Besides the usual eight hours, double-pay for overtime, etc., this article provides the six-hour day for working children; no night work for women; a vacation on pay for women while bearing children; enforced profit-sharing; housing; protection against garnishment of wages; the right to strike; enforced arbitration of disputes; three months' wages for unwarranted dismissal. "Suffering centipedes!" you exclaim, "Why doesn't Capital grab its hat, and what's left of its roll, and run clear out of Mexico! How can even the benediction of recognition help a mess like that?"

But it's not as bad as it sounds. First, the Mexican Congress has passed no laws to put this Article 123 into general effect. In six of the twenty-eight states, local laws have been enacted, based more or less on this article. But the hungry peon is only too glad right now to get a steady job where wages are sure; he's too indifferent to insist on his constitutional rights. And even if he isn't more than 50 per cent efficient, judged by our standards, he can also be hired for from 50 cents to a dollar a day—which at least deadens Capital's pangs a bit.

However, the leaders are clamoring now for a new cabinet job. They want a Minister of Labor named, who will get for them all they're promised in the famous Article 123. Already, it seems, labor is more unionized than in the States.

But for labor run wild, plumb amuck, rising almost to genius in its wily wishes, look at the new labor law in Vera Cruz. It says that after wages have been paid, and 6 per cent on capital, the rest of the profits from an enterprise should be divided between capital and labor—in such shares as a commission named for the job shall decide. Workmen even have the right to draw *regular pay while*

out on a strike, provided an arbitration board finds that the strike was justified! This, of course, is an example of Mexican labor reform at its worst, but it's the sort of radicalism the new government will have to temper and subdue if it wants foreign capital to feel safe.

It's not Americans, so much as American capital, that labor would *strafe*. You can understand this if you look at the records of such half-baked economists as Calles and the thin-voiced amateur tenor, de la Huerta. To rouse the proletariat and win their own radical ends, these agitators drum it into the peon's rum-soaked skull that our capital has enslaved him and is stripping Mexico. The result of their ten-year-long anti-foreign tirades is shown in such fool laws as that enacted by Vera Cruz.

Americans, in truth, are the economic masters of Mexico. But most Mexicans themselves admit they'd rather work for Americans in Mexico than for anyone else—even their own people. They say Americans pay more and treat labor better.

Figure-fiends say we own 58 per cent of the Mexican oil business. To insure protection of this Yankee investment, worth upwards of half a billion, is one of Uncle Sam's toughest diplomatic duties in Mexico.

Most of Mexico's oil comes to us. But it's failing, they say. Her greatest monthly export was in December, 1921, when she shipped 19,363,995 barrels. Since, it has slowly declined. In June of this year the export was only 7,899,734 barrels. Salt water has invaded the producing fields. And, says an official report, "Although the most important companies own or control other large tracts of land, the presence of oil is undetermined; adverse laws, and the enormous cost of explorations, have prevented further work in new areas. Some of the best known American concerns in the Mexican fields are also now exploring, and even producing in Columbia and Venezuela. In one instance, machinery and rigging were taken from Mexico and moved to these south countries."

"O rats!" one American scolded. "This recognition bunk's just an empty phrase. . . . We're doing lots of business with Mexico right now, making money while the diplomats quibble. One California company sells two millions a year worth of drygoods down the west coast alone, and another house has a practical monopoly of the drug business. . . . If you think trade waits on recognition, go down to Nogales, or to El Paso, or Laredo, and see the carloads of American autos, trucks, flour, canned salmon, shoes, musical instruments, and goodness knows what not, that we ship down there every season. And look at the metals, the sisal and petroleum we're hauling out every month!"

The first and biggest step is good relations with the United States. So long as this Government was not able officially to demand protection for its citizens and their property in Mexico, its investors were indisposed to risk large sums in that country. And, without loans

from abroad, and capital from America, Mexican industry cannot revive. Capital investment, then, and friendly relations go hand in hand.

"Recognition will help the present Mexican Government in many ways," one observer told me. "It will probably mean a good, big loan, for one thing. And to the loan a cautious Yankee string will be tied, telling 'em how to spend it. Their biggest sin now is wastefulness—look at that excursion to Brazil, for example! The government hadn't even enough cash on hand to pay its clerks and school teachers, yet with a whoop of glee at a chance for a joy ride, it gaily squanders a diplomatic mission to Brazil's centennial! Not only an expensive mission, but four or five hundred cadets, and two brass bands totaling 125 musicians—about 600 people joy-riding down to Brazil, just to make a front! How they love it. . . . Look at that new splendid marble embassy in Washington, when the most of their border post and customs offices are little more than cowsheds!"

To understand better how important it is, for business reasons alone, that Uncle Sam and Mexico should be on good terms, glance quickly at these truths.

Mines Mean More Than Oil

MUCH as you hear of Mexican oil, *her mines are worth much more*, and 80 per cent of her mines belong to Americans. Five billion dollars worth of silver and gold, engineers tell us, has probably been taken from Mexican mines since the Spaniards came, and still they yield! On an investment of \$125,000, the *Penoles* mine paid \$4,000,000. Yet gold mines are unimportant, compared with silver and copper. The Yankee-owned "Four-C" mine at Cananea has produced 40,000,000 pounds of copper in one year. From Zacatecas, silver worth a billion dollars has been carried up by Indian workers, and three-fourths of our silver comes from Mexico.

A good treaty of amity and commerce, and safety from confiscatory decrees or harsh and prohibitive customs duties, against which there is no appeal when diplomatic relations are broken, may save millions in one year to a concern like the American Smelting and Refining Company, which owns the great Santa Eulalia mine, or to those Yankees who hold that other famous Chihuahua silver mine, the Batopilas.

Many Yankee investors, especially from our West, are gunning in Mexico for cow ranches. This cow business, more than any

other, is knocked cuckoo by civil war. In 1912 we bought \$3,550,000 worth of hides from Mexico; last year this import had dropped to \$274,000. Now, also, instead of getting beef cattle from her, we are selling them to Mexico. They're killing four to five hundred American beeves in Mexico City every morning. In the past year, too, we sent 65,000 head across the line, in bond, to be pastured.

It's a habit of bandits to hit the cow ranches first. In fact, cynics say that Mexico couldn't soon have another revolution because there's nothing left on the ranches to steal. Good grazing land is there, vast, empty domains of it; and every day our T-bones cost us more. Into the Mexican cow ranch, then, it is plain, many an American investor will eventually put his money, with a good chance of earning big profits. It takes some years to build a herd up right. But Mexico is by nature a cow country. Geographically, you might say, she's the great cow pasture of North America. And more and more we shall have to look to her for our meat. Again, then, the great importance of good relations and security.

If recognition is a tonic for bankers' nerves, some may soon be bold enough to help Mexico in her money tangles. Saying nothing of her 200-odd issues of previous paper moneys, just now she's all agog over the debut of her new *Banco Unico*. Congress created it; a building they have—some say they have already printed millions of nice, new paper notes. All it lacks, to be a fine bank, is capital. In Paris and in New York, Mexico seeks to raise it, but Mexico wants 51 per cent control. Savings banks they also need, and not the many public lotteries that now gobble every extra peso not paid for *pulque*.

Big, ugly thorns, not roses, strew her path. Her debt, with interest, is around \$700,000,000, or maybe \$59 a head. Her buying power of imports, not counting things imported by Americans for American use, is perhaps less than \$5 per capita. Her railways are broke: of highways she has practically none. War swept her stock ranches empty and ruined her farming; now she must pay us millions for corn, flour, lard and other foodstuffs. Highest among all her woes looms ignorance and labor unrest, an unrest deliberately aroused by many of those now in power. Peons must be fed, *instructed*, appeased. For the present-day peon there's little hope; but by beginning now, sociologists say, Mexico can, in a generation, train and build up an able, intelligent

citizen body. Already, thanks to American industries there, the skilled labor of mine and factory forms the nucleus of an intelligent middle class.

Finally, we pay less taxes when there's peace below the Rio Grande! How? Ask the War Department what it cost to stage the Vera Cruz incident, to pay for Pershing's punitive party to patrol 2,000 miles of border every day for twelve years!

Recognition, then, is far more than a mere polite formality of diplomacy. Viva Mexico! Viva Uncle Sam!



Since the days of Cortez, nearly five billion dollars worth of silver has been mined in Mexico

The Public's Place in a Coal Strike

By JULIUS H. BARNES

President, United States Chamber of Commerce

WHEN ANY one section of our national community demands for itself special favors and special advantages at the expense of other sections, then the community of interest between those sections disappears. This is what has happened in relation to the anthracite industry and in respect to the organization of workers that today appears to control the production of coal.

Organized labor, as also organized industry or organized finance, requires wise and restrained leadership to find the fair and just frontier between self-respect and fair compensation, and overstepping that frontier into the area of arrogant demand that encroaches on the public right. The mine workers' union has clearly overstepped its proper bounds, and has by repeated utterances and acts in the anthracite dispute forfeited the public good-will, which should be its greatest asset.

The mine workers' union has not only consistently refused to submit its claims to impartial arbitration by any method of arbitration or by any judicially constituted body, but it has repeatedly, through its leadership, expressed its confidence that it could force the mine workers' own terms and conditions of employment upon the operators, and therefore upon the public through the price of the product of that industry.

Through long and painful progress we have succeeded in the development of community life, in substituting courts and referees for the method of private violence. Through long and painful development in the processes of industry, we have reached the era where there is a general recognition that it is not wholesome for either side in an industrial dispute to force its will ruthlessly upon the other. Through long and painful experience has been built up the public conviction that when conciliation and mediation and discussion have failed to solve irreconcilable differences, instead of resort to physical contest and violence there is the better way of impartial and disinterested determination of such claims.

In the present situation the coal operators and owners have offered to submit unreservedly to arbitration their differences on the eleven demands made by the mine workers' union, and to abide by that result.

On the contrary, the leaders of the union have repeatedly declared that they will never submit their claims to arbitration.

The mine workers' union is a very powerful organization. The anthracite field is thoroughly unionized, and production can be suspended at the will of the union. At this writing 155,000 men are idle in this small area in Pennsylvania, because of this attitude of union leadership. Next April the contracts in the bituminous field run out. Six hundred fifty thousand men are employed in producing bituminous coal, and 70 per cent of the field is unionized. At the will of the mine workers'

union, there can be forced also the major suspension of bituminous production in this country, with the dislocation of industry which would shortly thereafter mean widespread unemployment. Two years ago, five million unemployed walked our streets. The processes of industry are, in fact, delicately adjusted, and here at the very throat of industry is an organization of workers which can throw this great American industrial machine out of balance and deprive ten times their own membership of the daily employment on which rests their content and prosperity.

There is a great and solemn responsibility resting on such an organization with such a power. The responsibility to the public is

the mine workers' union of the protection resting on laws enacted for the protection of American labor but not for selfish exploitation of the public; then has not the time come seriously to consider relaxing that protection in respect to those who manifestly abuse it to do the public harm?

Has not the issue been so clearly made in this case that there is a forfeiture of public sympathy and public confidence?

Does not other fair-minded labor leadership, with real vision, see that unless reason and self-restraint accompany influence and power, the exploited public, in exasperated resentment, will find the way to protect itself?

Unjustified arrogance of mine ownership can be reached, for properties are real, and within the reach of state and federal authorities for lawful action. The suggestion of emergency seizure and operation of properties by public authority holds out no promise of fair and just solution.

Strong action is needed in the case of organizations of workers refusing to permit production. Men cannot be forced to work, and even compulsory arbitration is of doubtful value against men who are determined to have their own way on their own terms.

Here is no challenge to the right of men to demand a betterment of their condition, but rather an insistence that such demands, if fair and just, will prove their cause before a disinterested tribunal. When persistent refusal to submit such demands to disinterested examination, and when such determination to write its own terms has created a public emergency which threatens public suffering and jeopardizes social order, then it may be deemed to have approved a forfeiture of the protection by national laws against competitive labor eager to accept the terms specified by such arbitration.

Half the outside world filled with idle labor, skilled in the performance of these tasks, is clamoring at our door for a chance to share in America's high standards of living and America's larger opportunity.

Would it not be a practical and effective restraint on abuse of power if immigration quotas were relaxed, and if agencies were free to contract the importation, under reasonable regulation, of workers eager to accept terms prescribed by impartial arbitration?

Cannot there be vested in federal authorities, by proper action, discretion in exercising authority so that they may control and correct a monopoly when that monopoly has maintained an inexcusable assault upon the public interest and threatens public welfare and social order?

Cannot there also be in the public protection such exercise of the state licensing control as shall be impartially for public safety and not for the possible unadmitted protection of a labor monopoly?

The Fabric of the Industries

A Pictorial Survey of American Industries, With Special Reference To Their Interrelations.

By CHARLES FITZHUGH TALMAN

I. COAL

THE industrial world of today is commonly regarded as a mosaic of distinct though contiguous industries. This conception, though useful for statistical and other purposes, is, to say the least, inadequate. If the industries constitute a mosaic they also constitute an interwoven fabric. The strands of one run far and wide through the others, so that it is impossible to say where one ends and another begins. Because the industries thus interpenetrate one another, each depends upon the others for its prosperity, if not for its very existence.

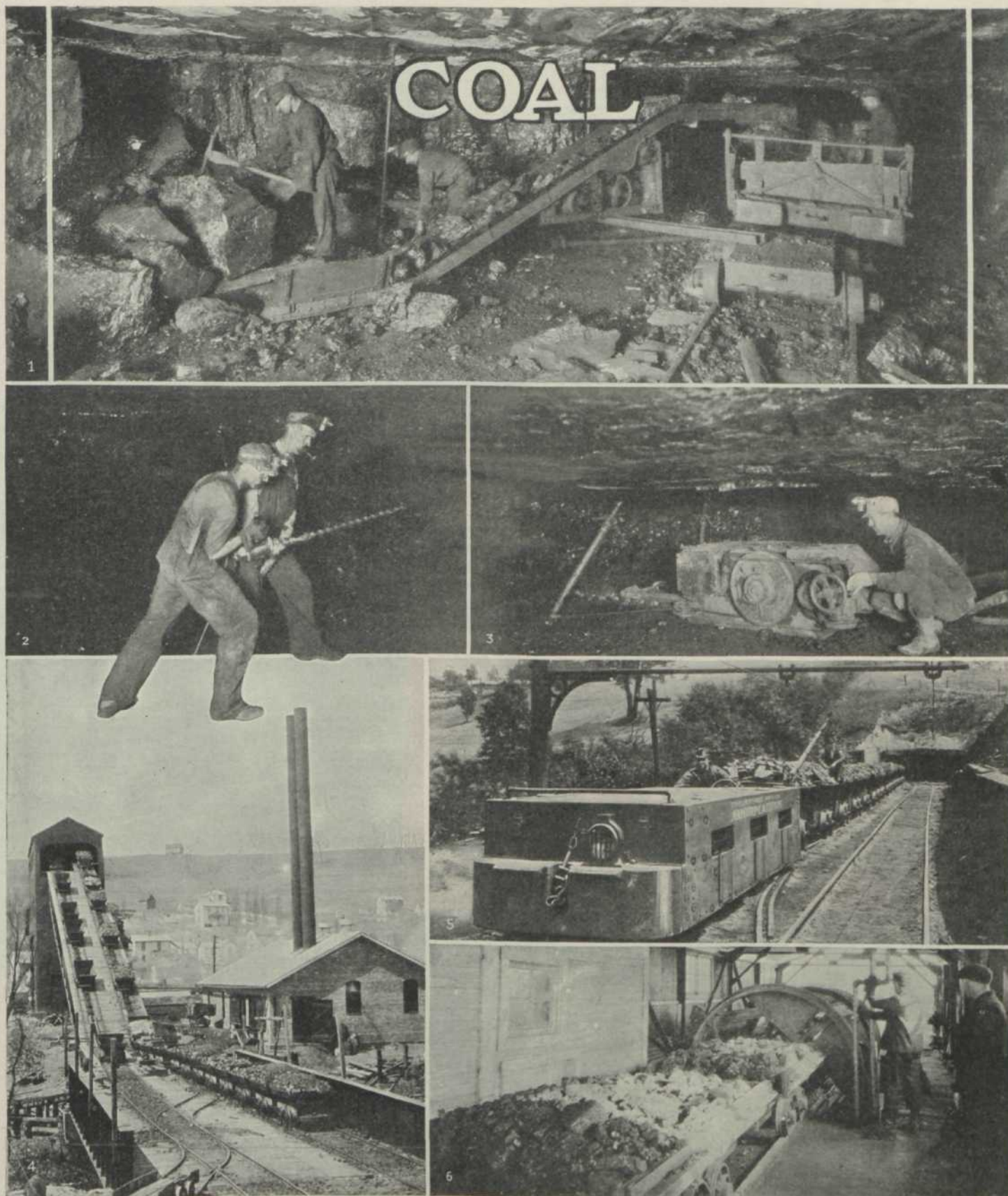
In the forthcoming series of pictures there are many striking illustrations of the interdependence of the industries.

The Coal Industry fittingly heads the procession. It is the most truly "basic" of all industries, because coal, despite the competition of oil, natural gas, flowing water and the muscles of men and beasts, is the chief source of power. Our modern material civilization is founded upon mechanical power, just as ancient civilization was founded upon slave power.

Coal has long driven our machines, warmed our homes, and cooked our food, but in recent times it has begun to serve mankind in a multitude of other ways and has become the starting point of novel industries. The pictures in the following pages tell the stories of some of these.

the more a solemn trust because this control of labor for coal production rests behind certain laws enacted by the public itself which ultimately must pay the cost of dictated work-suspension and dictated wage increases.

If a great workers' organization possesses a potential menace to all industry which, exercised recklessly and selfishly, would reach every home in America with suffering and loss; if this organization, by refusal to submit its claims to impartial arbitration, has left owners and the public no choice but to submit to selfish-minded dictation or to fight; if the arrogance of that position is only possible behind the protection of immigration laws, and the exclusion of the workers of other lands, erected by the public itself; if the public has been convinced by repeated demonstration that there is no hope of fair and moderate use by



Pictures 1, 3, 4 and 5 from Jeffrey Mfg. Co.; 2 from Chicago Pneumatic Tool Co.; 6 from Wood Equipment Co.

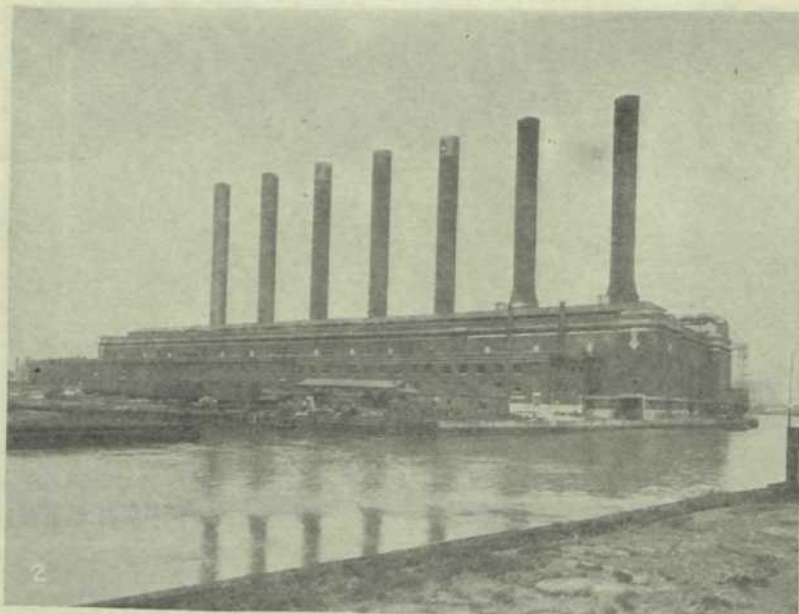
Where Power Has Replaced Muscle

IN the old fairy tales gnomes and kobolds aided the miner. In the true fairy tales of today he is better served by the Genii of Steel.

The art of coal mining has at last corrected the anachronism of failing to utilize its own supreme product—POWER. The pictures furnish a few examples:

1. Conveying machinery, so prolific of sensational feats above

ground, loads the mine cars in the depths of the earth. 2. The electric drill takes barely two minutes to drive a six-foot hole for blasting. 3. The electric coal-cutter spares the muscle of the miner in making the deep undercut. 4. The endless-chain car-haul and (5) the electric locomotive draw "trips" of cars along the Paths of Progress. 6. The pneumatic rotary dump discharges the cars, two at a time, over the chutes of the tippie.

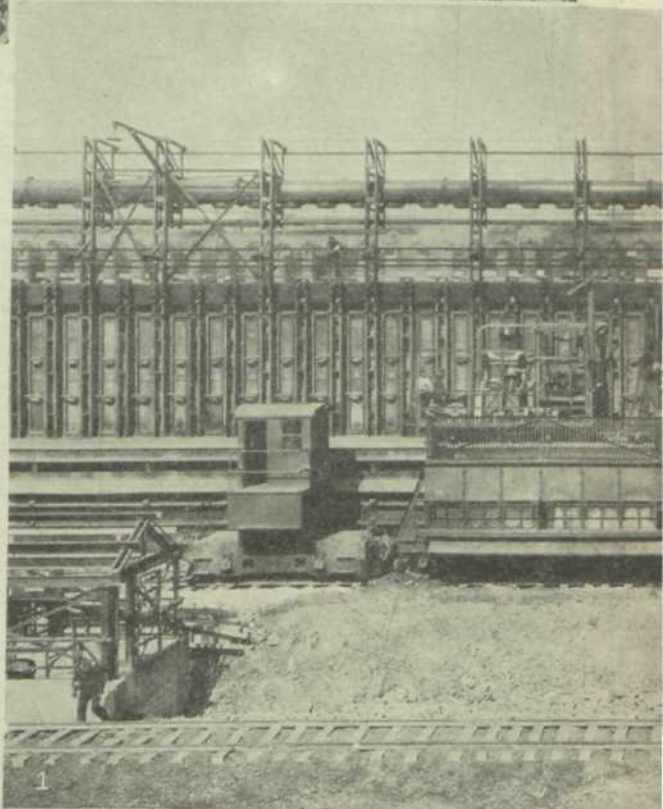


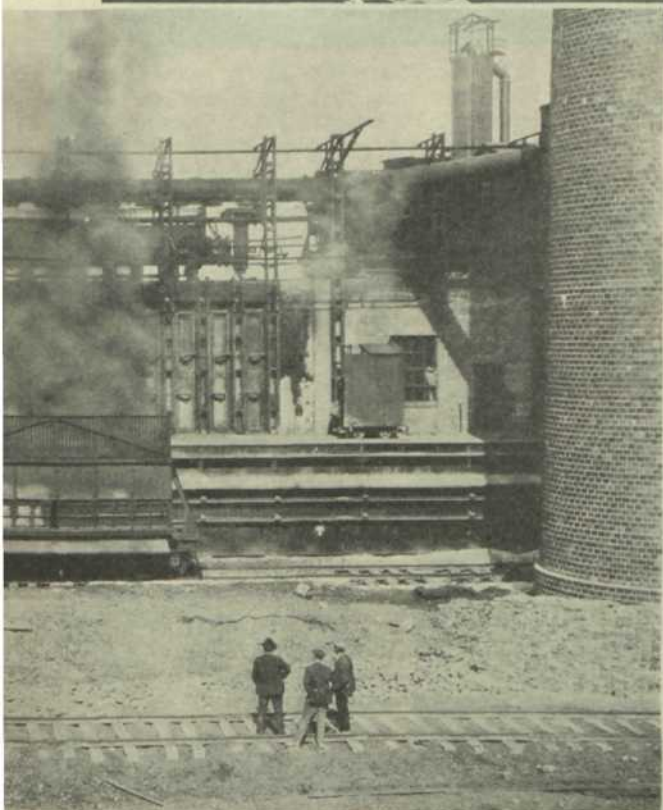
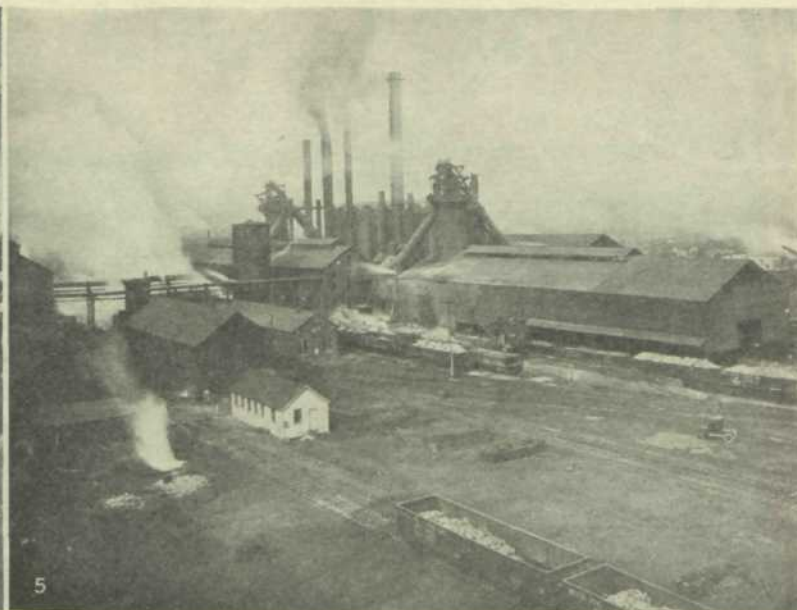
The Versatility of Coal

COAL began to play a complex rôle in human affairs when men learned how to make coke and gas, much more than a century ago. Next ammonia and tar, removed as impurities from gas, began to be utilized in a meager way. Today the perfected *by-product coke oven* (1) saves and makes available all the priceless treasures contained in this versatile mineral. The pictures illustrate but a few of the endlessly diverse blessings that come from coal.

First, *mechanical power*, to the generation of which goes two-thirds of our annual coal output. A single electric power plant (2), the Fisk Street Station of the Commonwealth Edison Company, in Chicago, burns a million tons of coal a year. While one species of "plant" is thus nourished by coal in the raw, another (3) grows lustily in a soil fertilized with ammonium sulphate, obtained mainly as a coal by-product. Other members of the ammonia family, from the same source, are used on a vast scale for refrigeration and other purposes.

The modern dye laboratory (4) has proved coal tar to be the most protean substance on earth. More than 5,000 coal tar dyes are known to science, and about 900 are in use. Versatility was raised to the second





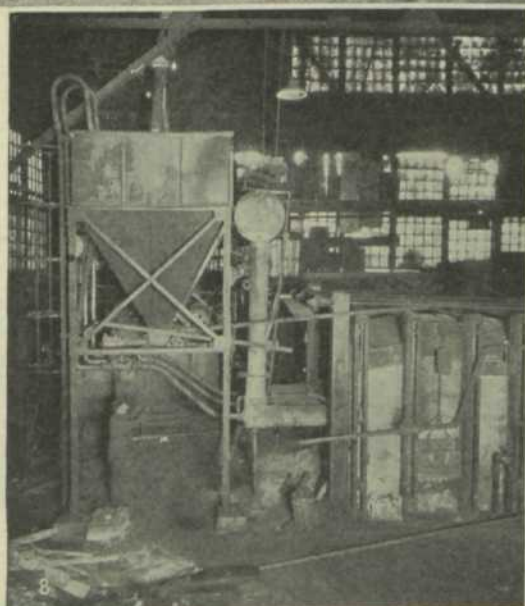
degree when some of these dyes turned out to be valuable antiseptics, which saved many lives during the great war (9), and others powerful explosives. From coal tar likewise come more than a thousand perfumes—and a host of other valuable things. The National Research Council tells us that "over 50 industries, employing over four million people, depend upon the coal tar organic chemical industry."

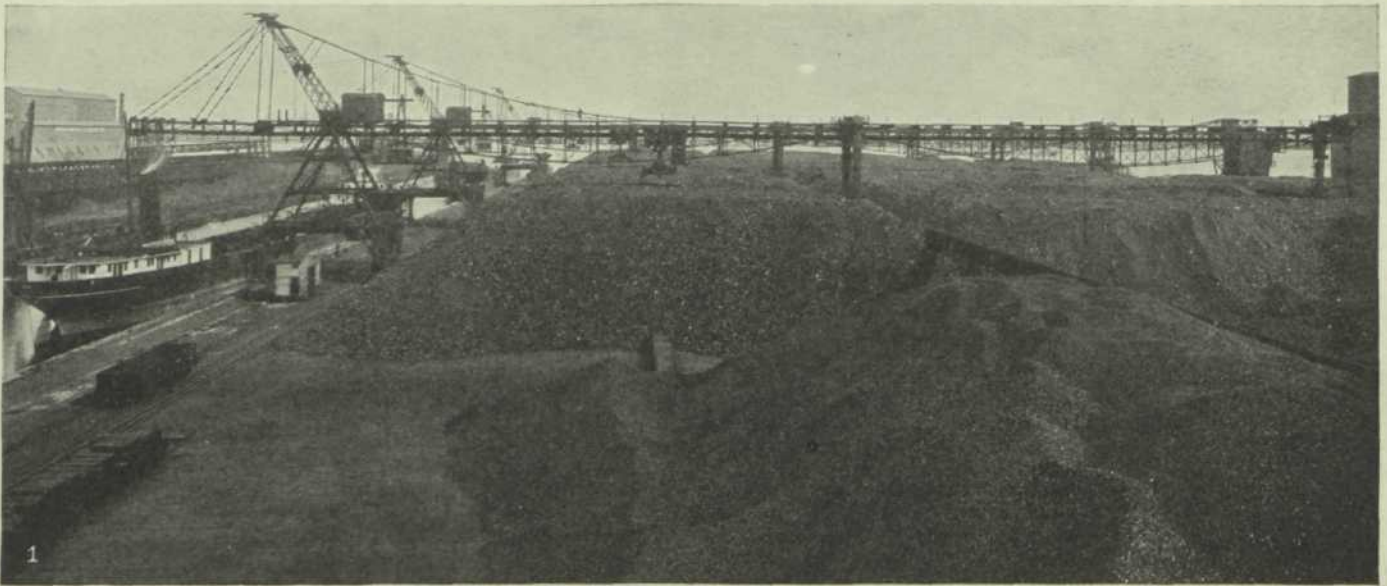
Which are products and which by-products? Nominally, the "product" of the coke oven is coke, of which our country has produced more than 50,000,000 tons in certain years. Coke is a prime requisite in the smelting of iron. Two typical blast furnaces in Ohio (5) use 650 tons a day to smelt 1100 tons of iron ore.

Coal serves impartially the purposes of peace and war. It yields fuel gas, for cooking (6) and other every-day uses, to the extent of over 300 billion cubic feet annually in this country, and, by way of offsetting this blessing, it provides death-dealing gases used in chemical warfare (7).

Burning raw coal has been called a crime, on account of the waste of by-products, but there are degrees of criminality in the process. One of the most economical and convenient methods of combustion is to *pulverize* the coal, which is then fed through a pipe by a current of air to the furnace, where it burns much after the manner of gas (8).

Sources of pictures: 1, Koppers Co.; 2, Commonwealth Edison Co.; 3, Barrett Co.; 4, E. I. du Pont de Nemours & Co.; 5, American Rolling Mill Co.; 6, Washington Gas Light Co.; 7 and 9, U. S. Army; 8, Quigley Furnace Specialties Co.





Carrying the Nation's Coal

THE prophets of the industrial world look forward to the day when the present stupendous movement of coal from mines to consumers will be largely eliminated. The generation of electricity at coal mines and the distribution of the energy of the fuel in this form is a much-mooted possibility in this direction. Pending such revolutionary measures, the railroads of the United States operate a million coal-carrying cars, use one-third of their freight capacity to move coal, and are, themselves, consumers of one-fourth of all the coal mined in the country. Shipments by water amount to 20 million tons per annum from single ports.

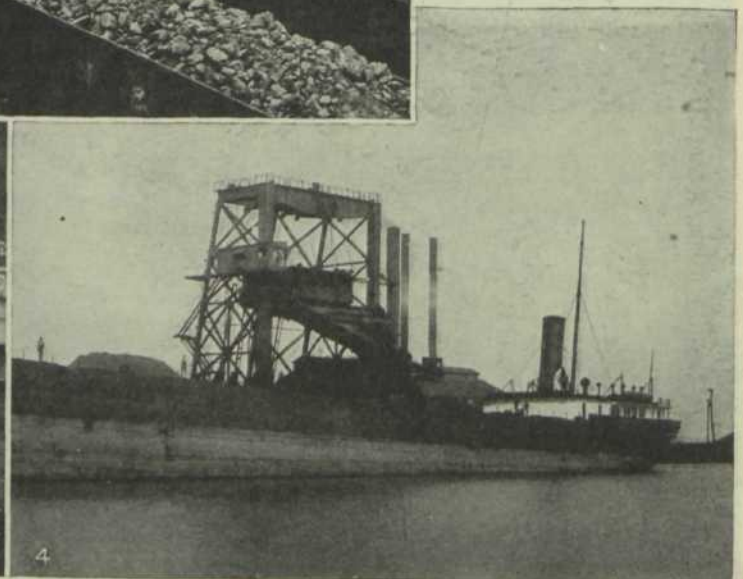
Perhaps the most striking episode in the annual movement of coal is its transport to the Upper Lake ports by the vessels that bring down ore and grain, and, in their competition for a return car-

go, make low freight rates for coal. The twin port of Duluth-Superior alone receives 10 million tons in a normal year and is the distributing point for a vast industrial region of the Northwest. As navigation ceases in winter, the docks at these lake ports are planned for storage. The one shown above (1), at Duluth, has a capacity of a million tons.

The leading coal port of the United States, and probably of the world, is Hampton Roads. A typical scene in this region (2) shows coal en route to the Norfolk & Western piers at Lambert's Point.

Labor-saving machinery for handling coal is exemplified on a small scale in the portable wagon-loader (3) and on a larger scale in the car-dumper, capable of discharging more than 50 cars an hour.

Picture 1 from Pittsburgh Coal Co.; 2 from U. S. Bureau of Mines; 3 from Link-Belt Co.; 4 from Brown Hoisting Machinery Co.



Couldn't Make City Ferry Pay

But freed of politics the same man was able to turn a growing deficit into a profit

By F. R. SINGLETON

SEATTLE and King County once ran a ferry system with Capt. John Anderson as superintendent. In three years the ferries lost nearly a million dollars. Then Captain Anderson leased the system and under private management made money.

They got Captain Anderson before a grand jury to tell why under private operation his management of the ferries had succeeded while under public operation it had failed.

What Captain Anderson told the grand jury, put briefly, was this: That his management as an employee of King County was of necessity political, while as a private operator, he was free to follow the dictates of strict business, giving the public what it needed and would pay for rather than what communities or individuals desired at the expense of the other fellow.

When in 1900 Seattle business men induced the county commissioners to establish a small public ferry between Seattle and Kirkland, four and one-half miles across Lake Washington, they little dreamed that they were laying the foundation of a public monopoly of lake transportation which would ultimately become a heavy burden upon themselves as taxpayers, and furnish one of the best examples in the United States of what happens when municipalities engage in business.

They figured that the ferry would help develop the country beyond the lake barrier and enable its residents to do more business in Seattle. They did not figure what effect it would have on private service already established.

Starting with one small steamboat in 1890, when Seattle had a population of only 60,000 and the surrounding country was but little developed, Capt. John Anderson had struggled to meet the need of lake transportation in the hope of building up a substantial business in the future. He had no more than become firmly established, after ten years of pioneering, when King County put the ferry on the Kirkland-Seattle run, charging rates far below cost.

The county ferry across the lake on the main route of travel cut the heart out of Anderson's business, but Anderson would not give up. He organized the An-

derson Steamboat Company and sold stock to finance plans for extending lake transportation. Within a few years his small steamers were calling at every hamlet and at practically every private wharf on the lake. As the service extended, the Lake Washington shore line became dotted with suburban homes whose residents were dependent on the Anderson boats. Thus Anderson got on his feet again.

Meanwhile the King County ferry lost heavily from the start. Eight years after it had been put in operation the ferry boat was condemned and replaced by the ferry *Washington*, costing \$100,000. It was much larger than the traffic demanded, greatly increasing the cost of operation. When it had been in service only six years, it was pronounced to be unsafe for further operation and was replaced in 1914 by the ferry *Lincoln*, costing \$104,000. By that time the expense of the ferry had become the subject of repeated protests by taxpayers.

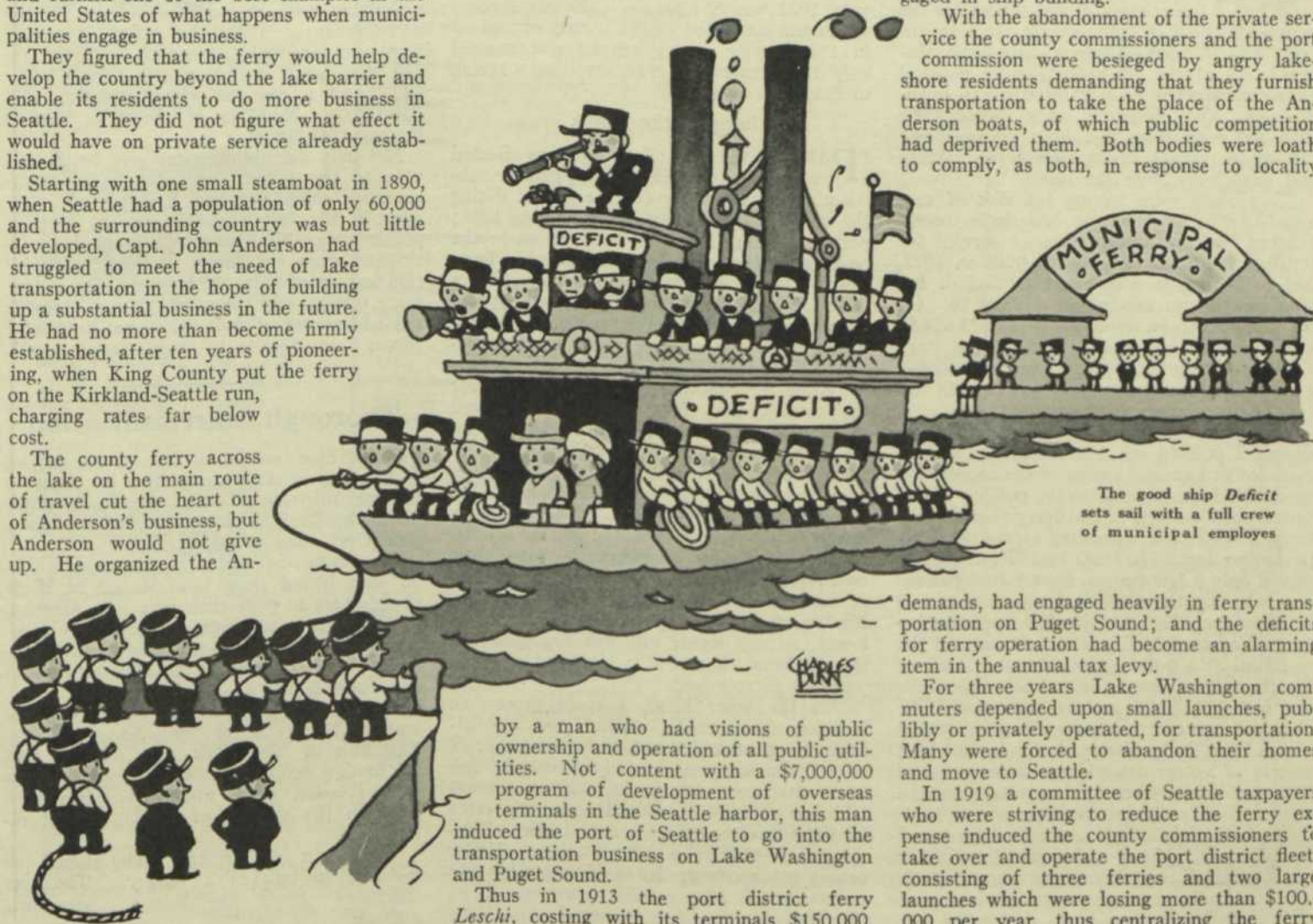
Probably the heavy annual losses of the Kirkland ferry would have prevented any further development of public ferry service on the lake had it not been that the commission of the port of Seattle was dominated

was put on a run between Leschi landing, in Seattle, and the small towns of Bellevue and Medina. Then ensued the spectacle of two public bodies, the county and the port district, both supported by the same taxpayers, competing with each other for the ferry business of Lake Washington, with Anderson also competing, as he had previously established a small ferry as a protective measure.

The port commission cut rates in half. The county could stand it, because it merely meant levying an additional tax; but Anderson could not. To make matters worse the port commission in 1915 put two launches in operation to parallel Anderson's ferry run and cut into his coastwise business, charging only five cents per passenger. The purpose was to drive Anderson out of business.

When the port commission entered the competition, Anderson was operating twelve boats, and all parts of the lake were being served. Losses, however, soon forced him to abandon one run after another; and in 1916 all his service with the exception of one small boat was stopped; and he retired from the Anderson Steamboat Company and engaged in ship building.

With the abandonment of the private service the county commissioners and the port commission were besieged by angry lake-shore residents demanding that they furnish transportation to take the place of the Anderson boats, of which public competition had deprived them. Both bodies were loath to comply, as both, in response to locality



The good ship *Deficit* sets sail with a full crew of municipal employees

by a man who had visions of public ownership and operation of all public utilities. Not content with a \$7,000,000 program of development of overseas terminals in the Seattle harbor, this man induced the port of Seattle to go into the transportation business on Lake Washington and Puget Sound.

Thus in 1913 the port district ferry *Leschi*, costing with its terminals \$150,000,

demands, had engaged heavily in ferry transportation on Puget Sound; and the deficits for ferry operation had become an alarming item in the annual tax levy.

For three years Lake Washington commuters depended upon small launches, publicly or privately operated, for transportation. Many were forced to abandon their homes and move to Seattle.

In 1919 a committee of Seattle taxpayers who were striving to reduce the ferry expense induced the county commissioners to take over and operate the port district fleet, consisting of three ferries and two large launches which were losing more than \$100,000 per year, thus centralizing the ferry

wise service on the lake the commissioners also leased four boats from the Anderson Steamboat Company. The county then operated eleven boats, eight on Lake Washington and three on Puget Sound. Meanwhile, in January, 1919, the county commissioners had hired Captain Anderson as superintendent of transportation.

Seattle taxpayers were startled when the 1920 budget for ferries was adopted, calling for a tax levy of approximately \$500,000. The protest was so general and strong that the county commissioners appointed a committee of five prominent citizens to make a survey and recommend what should be done to lighten the ferry expense. The committee reported in December, 1920, recommending the abandonment of two of the three ferries on Puget Sound and curtailment of ferry service on Lake Washington.

Nearly a year later, in the face of a storm of protests from ferry patrons and threats of a grand jury investigation and defeat in the next election, the county commissioners put most of the recommendations into effect, thereby reducing the annual expense to taxpayers more than \$100,000, and followed that action by calling for bids on leasing the ferry system.

Captain Anderson was the successful bidder for the lake boats, relieving the county of all obligation for operation and maintenance for ten years. He was given a bonus of 20,000 barrels of fuel oil.

Captain Anderson Explains

ANDERSON gives the reasons why he was able to turn the heavy loss under public operation to a profit under private operation, as follows:

"When I took charge of the ferries for the county in 1919, I made every effort to cut costs and increase efficiency, with little success. All of the ferry force were political employees selected with little regard to qualification. They felt that they owned their jobs and seemed to feel little responsibility toward the county as their employer. Waste and inefficiency were the rule.

"The boats were rotting for lack of care and the machinery was in bad shape, necessitating frequent interruption of service for repairs. In 1920 the *Leschi*, built in 1913, had to be rebuilt with the exception of her steel hull, at an expense of \$72,069.19. On the ferry *Lincoln*, built in 1914, \$23,624.66 was expended for repairs; and on the ferry *Vashon*, built in 1916, \$24,582 was expended—a repair bill for one year of \$120,276.58 not counting repairs on small vessels.

"At the request of the county commissioners I pointed out where service could be curtailed at immense saving to the county and with little inconvenience to the public. I suggested abandonment of two ferry routes. The ferry *West Seattle*, operating across the Seattle harbor lost \$47,725.00 in 1920, though it served only a few people, mostly foot passengers, who could reach their destinations as well by street car. The ferry *Vashon*, operating between Vashon Island in Puget Sound and the mainland at a point about 22 miles south of Seattle, was of but little public convenience and lost \$37,169.00 in 1920 operation. Obviously it was contrary to good business policy to run these ferries, but each was backed by a coterie of voters demanding the service and the commissioners hesitated to discontinue the runs, and did not do so until the end of 1921.

"Instead of being able to curtail service, I found myself obliged to increase the number of stops and extend runs to accommodate operation. To meet the demands for coast-individuals and communities demanding ser-

vice of the county commissioners. Efforts to save money in the purchase of supplies by buying direct, were checked by the county purchasing agent, who insisted on doing the buying, and efforts to economize on fuel oil met with little cooperation from engineers who continued to waste it. So the 1919 and 1920 cost of ferry operation increased greatly, in spite of my best efforts.

"When I took over the lake ferries at the end of 1921, I was no longer hampered by political considerations and direction and was able to put into immediate effect all the economies I could not accomplish as a county employee. Wages were still too high and I reduced them. The county maintained a "relief crew" of twelve men, in order to give easy hours to the ferry employees. I did away with the relief crew and discharged all the "politicians," keeping only the good men, and maintaining only a force sufficient to give adequate service. I cut out unnecessary stops.

"I could not do any of these things while superintendent of transportation for the county, but I did all of them, when operating on my own account, without encountering any trouble from my employees or the public. My employees accepted the wage reduction and the necessity of working a little longer hours, at times, with good grace. Their attitude changed completely from what it had been under county management. They recognized their obligation to me as a private employer; realized that the system must be put on a paying basis and gave me loyal support in every effort to make operation economical and efficient.

"The results showed strikingly in the three main items of expense; salaries, fuel oil and repairs. The saving in wages alone for the year 1922 was \$54,773.34. The same boats which had consumed 48,105 barrels of fuel oil in 1921, under county operation, consumed only 31,045 barrels in 1922, involving a saving of \$31,400.

Plugging the Leaks

"PART of the fuel oil savings was effected by the care of my engineers; part by substituting a small ferry for the *Leschi* during the winter months, when auto-traffic was light; part by putting improved feed valves in the oil-burning engines. Tying up the big ferry *Leschi* during the winter months involved a large saving in fuel oil and wages, without any inconvenience to the public, yet under county management the all-year operation was demanded and supplied.

"While I believed, when operating for the county, that fuel oil could be saved by improving the feed control of the engines, I was loth to ask the county commissioners to spend the money required to make the change, when uncertain as to results. With no one to account to but myself, I spent my own money, without hesitation, and got the results.

"I required my engineers to make their own repairs, instead of having the work done in machine shops, as under county operation. Machinery and hulls were cared for scrupulously, so my repair bill was negligible. I saved several thousand in overhead and the purchase of supplies.

"On the other hand, I spent money to increase the revenues, which I was not allowed to spend under county management. I advertised the ferry service extensively and went after excursion business along the established routes. I reduced round-trip rates on the ferries to increase auto traffic. I instituted a close check on receipts. Under county management, the same man who sold tickets for a ferry would collect them on the boat and make his own returns, with

no check upon him, no count of passengers and autos to see that his returns were correct. I also cut out nearly three hundred annual passes on which county employees and others had traveled. The result was an increase of \$17,836.00 in the receipts of 1922 over 1921.

"To sum up, through economies and enterprise possible only under private management, I turned an operating deficit for 1921 of \$82,029.65 into net earnings of \$22,264.87 for 1922, without increasing rates or depriving the public of any necessary service. And the taxpayers were saved many thousands in addition by elimination of construction of ferry wharves and of damage claims against the county."

Turning Deficits Into Earnings

THE Kitsap County Transportation Company which leased the ferries *Washington* and *West Seattle*, operating across Puget Sound from Seattle to Vashon Island and the mainland of Kitsap County, turned a deficit of \$50,083.00 under King County operation in 1921 to a profit of \$12,865.12 under private operation in 1922.

In operation of the *Washington* the company reduced the crew and saved \$8,723.00 in wages. A 12 per cent reduction in fuel-oil consumption saved \$3,500.00 and savings in repairs, supplies and other items made up the balance of the \$16,259.00 saved in operating expenses by the company. Receipts for the year increased \$22,450.00, due in part to the fact that the county abandoned service to Vashon Island on another ferry, and partly to better operation of the ferry.

The *West Seattle* was used as a relief boat on the run. While the county had employed a skeleton crew on the *West Seattle* for the entire year of 1921, the private company employed men only as needed, with the result that, while operation cost King County \$32,284.89, it cost the private company only \$10,350.00. Receipts of the *West Seattle* increased \$3,309.00.

Not only did the company give better service to the public, but also, other transportation companies, who had refused to engage in the ferry business in the face of public competition, were encouraged to participate, when the threat of public competition was removed by the leasing of the county ferry system, and the public is now enjoying the advantages of four additional auto-ferry routes from Seattle to Puget Sound points.

Thorough Americanization

IF HANS or Gaetano or Jean or Ole decides to come to America to live, he ought to become American all over. He Americanizes his clothes very quickly. But does he Americanize his mind as rapidly?

One suggestion worth thinking over is that on west bound ships talks should be made to incomers to pave their way into America, to make them understand before they land, something of what awaits them, of the responsibilities as well as the opportunities of their new home.

A social worker, who had wide experience among the newest of "greenhorns" on the East Side of New York, once declared that the hardest people to make amenable to rules were Russian Jews, whose lives had been lived in the shadow of regulation and restraint.

"Here is a free country. Who should tell me not to talk in a library? The sign 'Silence?' It is like Russia," was their attitude.

Getting Buyer and Seller Together

By GEORGE B. JOHNSON

President, National Retail Drygoods Association

IF THE man who runs the New York Emporium in some small mid-western city ordered six dozen silk sweaters of assorted colors, specifying that none of them should be green, and opened the packing case to find them all green, what would be the state of his mind?

The answer need not be written. Neither is it necessary to describe the state of mind of a wholesaler or manufacturer who, having with some difficulty filled an order for six dozen pink silk sweaters, has it cancelled on some pretext of quality or delay in delivery but actually because pink silk sweaters didn't sell well.

Incidents such as those I have just cited do not make for good feeling between the retailer and the wholesaler. For years this particular point in the flow of distribution from maker to consumer has been more or less dammed up. Buyers have accused sellers of most of the crimes in the merchandising calendar, and sellers have retorted with the "You're another" of small boyhood.

This bad spot in business has existed in the days "before the war" which sometimes seem not nine, but ninety, years ago. In normal times the buyer perhaps had a little the upper hand. It was the seller who did the urging and the buyer who was the "guest who is always right."

The war, which upset so many other things in American life, overturned at least for a time that state of affairs. The shoe was so decidedly on the other foot that business was unable to walk normally. It was in those days of post-war inflation that the buyer was the one who said "please." Retail merchants were eager for stock; the public was ready to buy without questioning whatever was set before it.

Sellers were autocratic. There was a vast amount of ordering inspired by just such talk as this:

"Well, I'll do the best I can for you, but I don't know whether we can fill the order or not. If I were you, I'd order 10 dozen and maybe you'll get half of it."

Then came the turn with its rush of cancellations, its refusal by public and by retailer to buy. The situation was thus described by a retailer of shoes on the best shopping street in an eastern city:

"Six months ago the salesman blew into town and phoned me from the best hotel that if I'd come right over he might have something to show me. Now he phones from the railroad station that he'll be in in twenty minutes if I'll give him a little time. And in he comes and lugging his own sample cases, too."

Once, retailers had complained that orders meant nothing; that deliveries were made at the convenience of the seller; that frequently because prices were rising, orders made and accepted in good faith were ignored; now, the

What a Group of Business Men Are Doing to Straighten a Kink in Distribution; the First of Several Articles on Distribution

retailer was eager to find a way out of his purchases. The business press of the country was filled with discussion of the "cancellation evil." Much was said about the "sanctity of contract" sometimes by the very men who not long before were holding for higher prices goods contracted for sale.

This post-war up-and-down did not on the whole make for better relations between buyer

and seller in a speech by Jesse I. Straus at a meeting held as part of the National Merchandise Fair. Mr. Straus said in effect that a properly executed order ought to be established as a contract between buyer and seller from which neither could withdraw without the consent of the other.

The meeting agreed with Mr. Straus and, unlike some other such meetings which "view with regret," declare that "something ought to be done" and let it go at that, the meeting did something. It told Mr. Straus to name a committee of retail distributors to meet a similar committee of wholesalers and manufacturers.

There followed a meeting of some forty men, commission men and retailers, wholesalers and jobbers. They said "Let's go!" and then Mr. Straus appointed this Joint Committee on Trade Relations: A. Lincoln Filene, chairman; S. H. Brice, J. C. Heckman, F. A. Landis, Col. W. E. Marble, George W. Mitton, J. B. Shea, E. C. Sams, Franklin Simon, Ira M. Younker, Max Meyer.

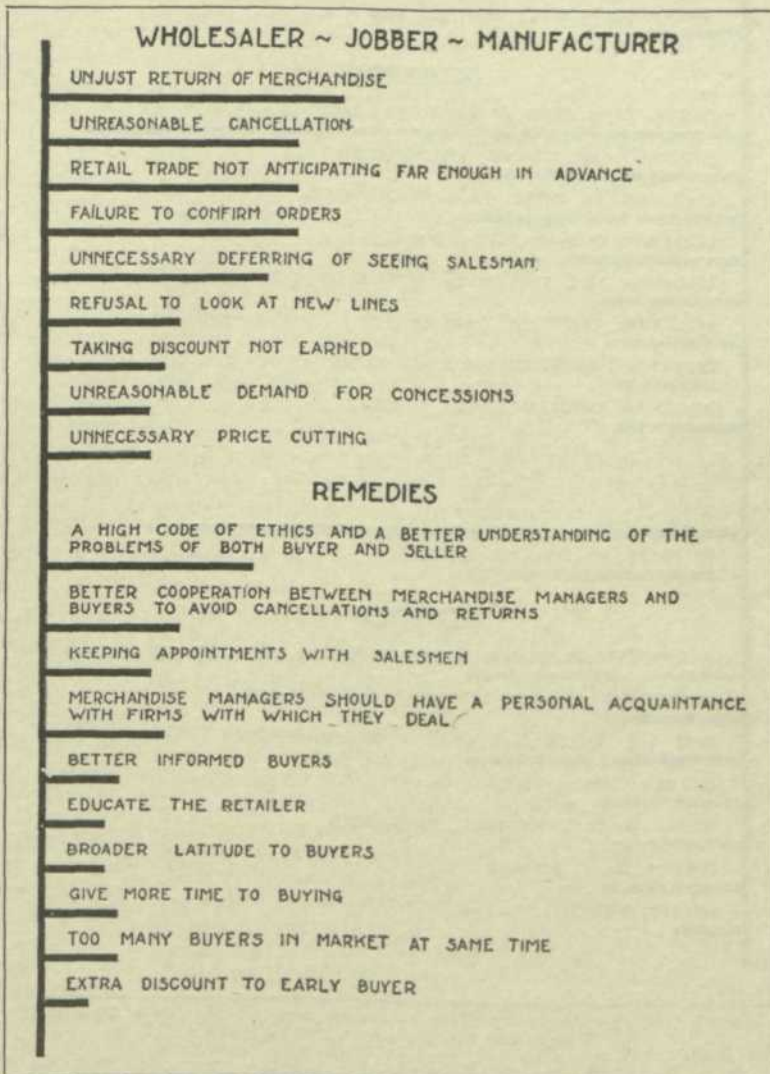
The make-up of the committee—this peace conference of the dry-goods trade—is of interest, for it sounds the keynote of the whole movement—cooperation. The chairman, Mr. Mitton of Jordan, Marsh, Boston; Mr. Shea of the Joseph Horne Co., Pittsburgh; Franklin Simon of New York; Mr. Younker of Younker Brothers, are department store men, while Mr. Sams is head of the J. C. Penny Co., a chain store system. For the manufacturer and wholesaler we have Mr. Brice of the Amory Brown Co., wholesalers of cotton goods, and Mr. Landis of Clafin's, wholesalers; also, Mr. Heckman of Cheney Brothers, manufacturers of silk; Col. Marble, president of the R. & G. Corset Company, and Mr. Meyer of A. Beller & Co., who are manufacturers of women's wear.

It would not be fair to describe these two groups of men as "opposing forces" for the committeemen are, above all, working together. They realize that this "sore place" in distribution can only be healed by cooperation and on their first report appeared this motto from the Scriptures: "Come, let us counsel together and adjust our differences."

The committee realized, too, that the first step must be to get a clear understanding of what the causes of friction were before they undertook to remove them. They asked Dr.

O. E. Klingaman of the University of Iowa to make a preliminary survey.

Dr. Klingaman is neither a wholesaler nor a retailer. In fact his job for the past few years has been as head of the extension work of the University. An Indianan, farm-born and farm-bred, he has devoted a good part of his life to work in housing, Americanization and boy welfare.



Charting the "Kicks"—A comparative view of the faults the wholesaler and manufacturer find with the retailer.

and seller and in the end the consumer, "the innocent bystander" while the argument went on, was the man most apt to be hurt.

But this is enough of a black background of what after all is a bright picture of modern business, an account of a real cooperative movement to bring about fair play on both sides.

This movement was begun by the National Retail Dry Goods Association and found its

But his organization experience led him to go straight to the heart of the matter. He appreciated that a good part of the troubles of the world arise from differences of definition and that one thing was to get on record, not as an indictment but for purposes of study, the complaints which either side made of the other.

He sent a questionnaire to manufacturers, wholesalers and retailers and asked them to set forth frankly what each found wrong in the conduct of the other and what, if any, remedies might be suggested. Answers came in surprising number and are still coming in. There were a certain number of "mind your business" replies; there always are in an effort of this nature.

Here and there a man seemed to feel that present methods were good enough, believing, perhaps that he was enough sharper than his fellows to profit in a battle of wits where there were no rules.

But for the most part the answers were helpful and sympathetic. Dr. Klingaman classified them and diagrammed them in relative importance in the charts here reproduced. Look for a moment at those black lines which picture the state of mind of some 500 or more retailers. Complaints about deliveries are far and away the most numerous, and these run along two main lines, that goods are not delivered on time and that goods not ordered are substituted.

Time is a powerful factor in the profits of every retailer, particularly the retailer of things to wear, for his customers demand styles, and styles are short-lived.

Suppose the word goes forth that purple shoes are to be worn next season and that the woman-public shows signs of developing what the psychologist might call a purple shoe complex. The retailer sees it develop. He knows that if he cannot supply purple shoes to his customers they will go elsewhere and some of them will never come back.

He orders purple shoes, so many dozen pairs of such sizes as meet the demand of his customers. The shoes arrive—that is, a part of them do, and those, all of one size—and that a size which fits few of his customers' feet.

By the time the rest of the order arrives the desire for purple shoes is dying fast. Women walk happily down the street in other shades of shoes, and a window-full of purple shoes at half the price of a few short weeks before would stir no interest.

Or the retailer finds on opening the shipment that he has received all the shoes he ordered but that part were purple, part red and part blue. Now red and blue may be mixed to make purple, but it can't be done on the customer's feet.

This may sound overdrawn. Probably it is, but substitution is one evil on which the retailer has a good deal to say. He complains of substitution not only of sizes and colors but of numbers and patterns. He complains

also of what is in effect substitution, the delivery of inferior or imperfect merchandise. He says that all too often when he or his buyer has looked at and ordered garments, well-made and of good material, they have opened boxes to find that the manufacturer has used inferior material, badly sewn.

There are other things than deliveries of which the retailer-buyer complains. One common complaint is of selling to another retailer after promising the first buyer that he should have a pattern exclusively. Style

which the retailer finds. The temptation to oversell in any industry is strong. A salesman feels that his business is to sell, and it is not hard to understand the state of mind of the man who says:

"You ought to lay in more of those, Mr. B. They're going fast."

Nor is it hard to understand the mind of the retailer who, away from the spell of the salesman's talk, and finding it hard to pass on to his customers the enthusiasm with which the salesman fired him, seeks to cancel the order.

And that takes us naturally into what is the outstanding complaint of the manufacturer, wholesaler and jobber—that the retailer unreasonably cancels orders and unjustly returns merchandise. The charges and countercharges of faulty deliveries and of cancellations link closely together. Here is the way that Dr. Klingaman, after a first survey, described the chain of events:

Manufacturer does not produce an appreciable quantity until orders are placed by retailers.

Wholesalers and jobbers apparently are on the turnover basis and have no reserve stocks from which to draw in case of reorders. Frequent changes in styles are partially responsible.

Deliveries may be made, but much substitution occurs.

Again deliveries are started to be made by making a small shipment of the original order on time and then stringing out the balance of the order in several shipments, thus causing several difficulties:

(A) At no time may the merchant have a complete line of stock, but has constantly a line of broken stock.

(B) The belated shipments may come too late and are unsalable for that reason.

(C) Many of the belated shipments are sent by express, thus causing annoyance and increased overhead.

Or deliveries are made of goods not up to sample showing or are imperfect or are soiled, or the method of delivery may not be in accord with the instructions for shipping given on the order.

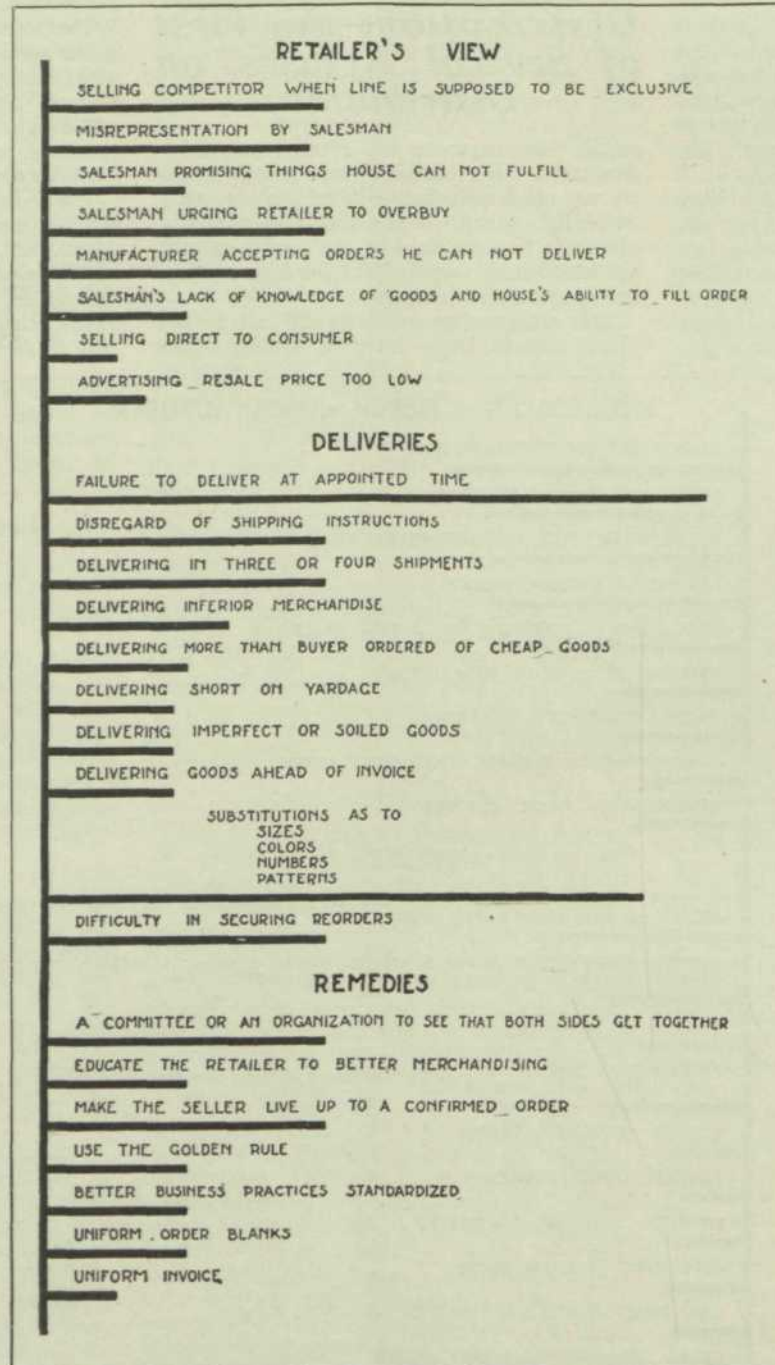
Goods may be delivered without an invoice, thus causing delay in getting goods in stock.

The merchant, not feeling sure of getting full order or any part of an order on time, frequently orders the same goods from several houses, giving each house an order for his complete stock, cancelling all unfilled orders as soon as his stock is complete.

The above result in (1) Cancellations, and (2) Return of Goods.

Now a cancellation or a return of merchandise for failure to deliver on time or because the goods delivered are not the goods ordered seems a reasonable result. But not all cancellations are based on such reasons. What the manufacturers and the wholesalers specifically complain of is the cancellation that is really due to the retailer's bad judgment.

What happens is this, in the opinion of the manufacturer: Mr. B, a retailer, gets a fixed



The other side of the picture—Here in graphic form are the faults the retailer finds with the men from whom he buys.

again. If it is fatal for the retailer to be out of style, how admirable it would be to be in style himself and have all the others out.

There is where the manufacturer or his salesman may promise what he cannot or will not perform. The temptation is strong to pile up orders and there may be a lack of clear definition of what is meant by "exclusive."

Many of the retailer complaints are based on charges of misrepresentation by salesmen. "Promising things his house can't fulfill," "urging retailers to overbuy," these are faults

idea that certain styles of dresses or patterns of cloth are going to sell unusually well this season. It may be that salesmen, hopeful of larger orders, encourage him in this belief. In any event, the decision is with him, and he overorders as results show. His customers do not rush for the particular lines he has bought. There are unopened cases of them in his cellar and they are in the way. He looks for a way out and finds it in a cancellation of orders as yet unfilled and in the return of the unsold merchandise on one pretext or another.

In this picture of faulty delivery and unjust cancellations there lie at the ends of the scale cases where no one would hesitate to say who is right and who wrong. There lie in the middle, cases which call for more thoughtful adjustment, where each side is part right and part wrong and each is honestly sure that he is wholly right.

Another point wherein the wholesaler finds fault is that the retailers won't see salesmen and won't look at new lines, that they enter on a buying campaign with their minds made up as to what they shall buy and from whom they shall buy it.

The head of a very large company manufacturing a widely advertised article of women's wear says that he has a salesman—a \$20,000-a-year salesman—who has been trying for 18 months to see the buyer of one of the large dry-goods houses.

The buyer's side is understandable. Demands on his time are heavy. Salesmen are persistent, hard to get rid of, not always well-trained to sell their products briefly and clearly. That there is a chance for betterment is plain from the experience of some stores which have set out to systematize their buying and now make it a requirement that every salesman shall at least have a chance.

There is a phrase in the list of complaints made by the selling side which finds an odd echo on the other side of the house. Says the seller:

"The retail trade does not anticipate far enough in advance."

Says the buyer:

"Salesmen urge the retailer to overbuy."

The Limits of Reform

THESE seem to interlock. They go right at the personal efficiencies and deficiencies of the retailer. A retailer who can successfully anticipate far enough in advance is also a retailer who has no great difficulty in resisting the "urge to overbuy" by the skillful salesman. He is probably also a retailer whose unfair cancellations and unjust returns of merchandise are a minimum.

But the committee has no expectation that it can reform human nature. It has no hope of building up either super-salesmen—and by super-salesmen I don't mean men who sell the most—or super-retailers.

What the committee is working for is:

1st. A better understanding of the causes of complaint that arise between seller and buyer.

2nd. A means of remedying such of those complaints as can be bettered by mutual effort.

The first task has been in large part accomplished by the committee and Dr. Klingaman; the second lies before it.

In the resolutions adopted at the meeting at which Mr. Straus started the movement was the proposal:

that steps be taken to establish an arbitration tribunal to act as arbitrator in dealings between buyer and seller and to bring about the acceptance by both sides of the market of the princi-

ple that an order when properly executed and confirmed is an inviolable contract from which neither party may withdraw without the consent of the other.

The second conference at which both sides were represented suggested a "code of standard practices" and the "establishment of a system of trade committees and a court of arbitration."

The remedies suggested by the contributors to the questionnaire follow largely along these lines. A standard form of buying order which when properly confirmed shall be accepted by both sides as a valid contract is widely urged.

But beyond and above all is the desire on the part of the men who are leading this

movement for the establishment of some form of clearing house in which shall be represented the industries which find their outlet in the department and dry-goods stores of the country and the retail stores themselves.

Here can be presented claims of both parties; here can be laid down needful regulations for the guidance of both buyer and seller; here can be settled speedily and without recourse to the courts, disputes which arise in that center ground to which I have referred.

This is no idle dream of theorists that has just been hinted at. It is the goal, and a not-far-removed one—of a very practical group of business men who are accustomed both to laying plans and to carrying them out.

Progress in Decentralization Plans

AT THE last annual meeting of the Chamber of Commerce of the United States, the Board of Directors approved the plan of decentralization for securing and maintaining closer relations between the members and the central administration. Under the proposed plan, this work will soon be done from four division headquarters of the country rather than from Washington headquarters alone as heretofore. These sections are: Eastern Division, comprising 17 states; Northern-Central Division, comprising 10 states; Southern-Central Division, comprising 10 states; and the Western Division, comprising 11 states. The work will be directed by the vice-presidents of the Chamber resident in these divisions, assisted by the resident directors and with the aid of a competent manager in each division. The four vice-presidents are: Mr. A. C. Bedford of the Eastern Division, Mr. Thomas E. Wilson of the Northern-Central Division, Mr. Harry A. Black of the Southern-Central Division, and Mr. Henry M. Robinson of the Western Division.

Under the new plan, two offices have been established, one in Chicago and one in San Francisco.

The first division organization meeting was held on July 31 in San Francisco. Seven of the directors of the Chamber resident in the Western Division were present. Representatives of 8 states, representing nearly 40 organization members, attended this preliminary meeting. The meeting was presided over by Vice-President Robinson and was addressed by Secretary Hoover, Resident Vice-President Goodwin, who went on from Washington for the purpose, and each of the directors present. Much enthusiasm was aroused at this meeting, and steps have already been made in bringing about a strong unit on the west coast in promoting the interests of the National Chamber.

On September 7, Vice-President Wilson held a meeting of his Advisory Council at Chicago. Mr. Goodwin and Mr. Van der Vries, the new manager of the division, were present. At this meeting definite plans were made for the work to be accomplished between now and the mid-year meeting to be held in the second half of January. One of the salient features of the Chicago meeting was the adoption of a tentative plan calling for the creation of a Speakers' Bureau in that division. It is now apparent that one of the important features of decentralization will be that of securing speakers. The Speakers' Bureau contemplated will be different from the usual speakers' bureau in that it is planned to use volunteer business men on a gratis basis, and efforts will be made

to make occasions fit the convenience as to time and place of the volunteer speaker, rather than to limit itself to securing speakers for occasions as the demand arises. It is believed the desirability for such a bureau will be appreciated and adopted by each of the other three divisions of the Chamber.

Active plans are being made for organizing the other two divisions at an early date.

Mr. John N. Van der Vries, who for six years has served as district secretary of the Chamber with offices in Chicago, has been promoted to the position of manager of the Northern-Central Division under the new plan and will have active charge of the program of work to be established there. The office of the division will be in the Otis Building, Chicago, where the district office has been maintained from the beginning and the floor space has been enlarged to take care of the additional work.

Mr. John T. Webber of Chicago, field secretary of the Chamber since 1916, has been promoted to district secretary of the Field Department, succeeding Mr. Van der Vries.

Brockton Improves Its Administration

IMPROVEMENTS of the facilities for administration of the city of Brockton, Massachusetts, have been suggested by the Brockton Chamber of Commerce on the basis of a survey which it sponsored. As the survey progresses, conferences are held by members of the chamber with city officials in order that recommendations may be offered for acceptance and immediately become effective. By that course the report at the end of the survey will be incidental to the work of improving the administration of the city, rather than the chief objective of the survey, as usually is the case.

Ten O'Clock Club Is a "Go-Getter"

THE TEN O'CLOCK CLUB of the Minneapolis commerce association is directing the association's membership work for this year. The club has reported more than \$9,000 in annual dues from eighty-four business houses with 250 representatives in the membership, 266 new individual members, increases in dues from 16 firms, and the withdrawal of resignations of 14 members. More than 5,000 of the city's business men and business women are now in the association.

The NATION'S BUSINESS

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MERLE THORPE, Editor

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Figures and Figures

STATISTICAL JUNK lies around loose in large quantities, in post-war times, and is in the possession of persons of different stations in life and in every grade of financial rating.

One gentleman of eminence and of wealth not so very long ago sailed away upon a vacation voyage. As a parting word to his fellow-countrymen he is reported to have declared that, if the railroads are valued for purposes of rate-making on the basis of the cost of reproduction rather than upon the basis of original cost, there would be a difference to the public in freight rates to be figured at 60 to 70 per cent! Disregarding the question about the basis for valuation which is fair, one can take a glance at the figures. The only statistics one can look squarely in the eye are those which are real, those which represent actual expenses and actual receipts, in the case of the railroads.

The latest statistics of this sort are for 1922. During that year, as now, the Interstate Commerce Commission said a return of $5\frac{3}{4}$ per cent would be fair. If such a return were figured upon the basis of original cost, as the gentleman who sailed for Europe estimated original cost, there could have been a reduction of freight rates by 2 per cent in 1922! In other words, the reported assertions were about 97 per cent wrong, and 3 per cent right, statistically and accurately speaking.

Of course, if any person of responsibility made statements about an individual with as little regard for the exact truth he would be sued for a round sum of money in damages, and if he tried to pass money which to a like extent was counterfeit he would languish in jail for many a long day. Carelessness with figures, however, even carelessness with figures regarding matters affecting every one of us, brings no penalty.

Canada has had its share of statistical junk, and apparently insists upon dividing with other countries, very much to the disgust of the American farmer. Somebody in Canada started a yarn that the Canadian wheat fields would this year yield 500,000,000 bushels of grain, or 100,000,000 bushels more than last year. The yarn spread, and became the current story of expectation from Canada. When the inevitable damage had been done to wheat prices on our markets, the Canadian government came forward with figures as of August 1, saying that the yield would probably be 383,000,000 bushels, or 17,000,000 less than last year! In fact, the whole continent of North America, it seems, will yield in wheat this year at least 90,000,000 fewer bushels than in 1922.

Statistical falsehood seems to be a perfectly safe variety, whether done consciously or unconsciously. Its use may accordingly be expected to wax mightily, until plain every-day folk find a way of meting out a punishment appropriate for the offense.

Governments and the Banking Business

MEXICO is the only country in the world which uses nothing but minerals for money. In Spain but little paper currency is used, and Mexico may have inherited the bad habit from that country. But it carried the habit to an extreme. It has no banknotes at all. It is on a metallic basis. It is a little difficult for Americans, who rarely handle gold except in pay-

ing customs duties or in making Christmas presents, to understand how a nation as large as Mexico can make out with gold and silver alone. It is the more difficult to understand because that country does a much smaller percentage of its business than we do with orders on a bank to pay.

Now Mexico would like to acquire a banknote currency. A plan is afoot to establish a National Bank of Issue, and \$25,000,000 is required to finance it. But it is not to be a government bank. Perhaps Mexico has profited by the experience of the Philippines in that regard. Major Gen. Leonard Wood's report for 1922 as Governor General there has but recently come to hand, and a paragraph from it about the Philippine National Bank is well worth quoting:

After six years of operation the Government finds its venture in the banking business has cost it approximately 75,000,000 pesos. This is but another convincing demonstration of the generally recognized fact that governments cannot successfully conduct business enterprises.

The Philippine National Bank is now running on an annual deficit of more than half a million pesos. The money comes out of Mr. Taxpayer's pocket. And yet there are actually taxpayers in this country who propose to inject politics into the Federal Reserve System! They cannot succeed, of course; the country as a whole is too long-headed for that. But the Philippine experiment is worth calling to their attention.

International Wages

WAGES paid in different countries are hard to compare in these days of depreciated currencies, however much the effect of divergencies may be felt in international competition. Even if absolute comparisons are pretty much out of the question, for the time being, there are some indications of how things stand. For instance, there are the figures compiled by the British Ministry of Labour to show the amount of food which can be purchased with the wages paid in certain occupations for 48 hours of work.

Reduced to an index number, with the amount purchasable in London as 100, these figures were, for the spring of 1923:

New York.....	217	Brussels.....	70
Ottawa.....	180	Paris.....	68
Amsterdam.....	103	Prague.....	67
Christiania.....	92	Madrid.....	61
Stockholm.....	87	Berlin.....	57
Warsaw.....	85	Vienna.....	55

"A Soft Answer"—

A DELEGATION of American business men connected with the United States Chamber of Commerce called recently on President Coolidge to present to him certain principles to which American business, speaking through the Chamber, stands committed.

L. R. Melton, manager of *The Veteran's Voice*, was so moved by the visit that he wrote to Julius Barnes, president of the Chamber, as follows:

In the *Wall Street Journal* under date of August 21 there is published a story in which is set forth your legislative desires in an interview granted you by our President, Calvin Coolidge. At this interview you were accompanied by A. C. Bedford, chairman of the Standard Oil Company of New Jersey, and some Gentile and Jew bankers from Wall Street, New York, and State Street, Boston. At this interview you and your associates had the temerity to present to our President the following thorough un-American program:

First.—An immediate increase of immigration by increasing the selective quota to more than 75 per cent over and above the present allotment.

Second.—Direct and unalterable opposition to the soldiers'

bonus and adjusted compensation for the men who sprang to the country's defense when our flag was in danger.

Third.—The American merchant marine to be put back in the condition in which it was before the war when our flag was practically swept from the high seas.

Fourth.—A reduction in the super-taxes so that the greed of the profiteer might approximate satisfaction.

Fifth.—American participation in the proposed world court to the end that we be subject to the "entangling alliances" with European kings, diplomats and statesmen that Washington warned us against.

It is crystal clear to me that yourself and friends are but a twentieth century reproduction of the usurious crowd that President Andrew Jackson smashed when he destroyed their National Bank. You are of the same type that President Lincoln annihilated when he issued the greenbacks to carry on the war!

You are of the same kidney as the typical profiteer in this country, and in every country in Europe who have made literally billions out of the war while you and they were at home in safety, and the soldiers with bared breasts were facing the bayonets and cannon of the enemy.

It is you and your type that has Europe in turmoil now, which, if continued, bids fair to destroy civilization.

I believe in every fiber of my being that every word in this indictment is true. I believe that I can prove this to be so before any fair-minded audience in the United States. If I am in error I wish to be shown so that I can make a proper retraction. Therefore, to this end I wish to make this proposition to you:

That you, or any representative of the American Chamber of Commerce that you may select, meet me in joint discussion in five of the principal cities of the United States, I to affirm the allegations made above. If I do not prove them up to the hilt, and the audience by an overwhelming vote does not say that I have proved them, then I will publicly retract what I have written above and promise to never refer to the subject again in public or private.

To which Mr. Barnes replied:

I have your letter of August 31.

I am sure you felt better after writing it. I gather from it that outside of the few defects in nationality, character, purposes and principles which you detail with so much consideration and restraint, the gentlemen you mention and who represented organized business and industry, are all right.

I am sure your unfailing courtesy will not resent a suggestion that when you are older you may find yourself slower to impugn the motives of men whom you have never met; also that when you do meet such men you may find to your surprise that they, like most citizens East or West after all, have an ideal of fidelity to public service and that perhaps even their prominence in the business world may be accompanied by a wide experience and knowledge of how best to help and preserve national and individual welfare.

Distinctions for Trade Associations

BACK-STIFFENERS and cost-accounting systems should be entirely separate affairs, the Federal Trade Commission declared in its findings in the case it has had pending since 1919 against the United Typothetae. For twenty-seven pages the commission sets out all manner of facts it has found, from organization of the Typothetae to excerpts from letters of members saying a good word for the organization's activities in connection with ascertainment of costs—including a letter which declared that membership was a "backbone-stiffener for asking proper prices"—and added a "conclusion" in five lines, "that the practices of said respondents, under the conditions and circumstances described in the foregoing findings as to the facts, are unfair methods of competition."

After twenty-seven pages of closely set type a reader is likely

to desire some enlightenment about the precise practices which are unlawful, and the particular conditions and circumstances that contribute to their delinquencies. Being left in much darkness by the commission, which never vouchsafes any discussion of its findings and what they mean, he may very well reach a belief that the line of legality comes somewhere between backbone-stiffeners and systems of cost accounting.

However wide the range of things the commission declares are illegal, it does not admonish that all be given up. Instead, it selects three things which it says the organization is not to do. In the first place, it must not carry on education in principles and methods of cost accounting in such a way as to suggest uniform percentages. Seemingly, the organization may continue its "system of education in principles and methods of cost accounting"; the prohibition is merely against an abuse.

Likewise, the organization is admonished, not against collecting and publishing itemized statements of production costs from members, but only from doing this for the purpose of computing average costs for distribution to the membership.

Finally, the organization is not to publish any average or other proposed costs with instructions for translating them into selling prices.

As a snapper for the end of the official whip the commission orders the organization to state within sixty days the manner in which it will change its conduct in such a way as to avoid violation of the three prohibitions. Insisting that there was no attempt to do these prohibited things, the organization may have to disclose some cleverness to discover a way to abjure sins it does not own.

Whatever the facts in the actual case, there can be no doubt about the point of view from which the commission approached the subject. It said nothing against trade associations advocating that their members use uniform systems of cost accounting. It did not say that trade associations may not collect cost data from their members. In this case it opposed only the use of average costs and similar arbitraries under circumstances which mean that they necessarily influence prices regardless of the costs of the firm quoting the prices.

Deadening Officialdom

STATE CONTROL has never attained very great popularity in England. Recently, criticism has been aimed at conditions in British West Africa.

In Nigeria there is an extensive coal field. The British Colonial Office asserts that this coal field must be reserved for government operation. The net result, British business concerns declare, is that the development of West Africa is being retarded, because official management of this source of wealth and power is hopelessly inefficient.

No less a person than Lord Leverhulme has broken a lance in the same connection, although he does not refer to the coal fields. He describes the potential wealth of West Africa and then declares that progress in its utilization is not being made on a scale commensurate with the possibilities. He finds the cause in an autocratic and bureaucratic system of governmental regulation. He declares that officials exalt the very machinery of government above all other considerations.

Venus and the Business Cycle

THE BUSINESS CYCLE has now got into the hands of the professors, and they are leading us into the realm of astronomy. After a liberal use of mathematics one professor believes he has definitely hitched the business cycle to Venus. His reasoning is that the cycle is tied to periodicity in weather and that the eight-year climatic periods are due to the planet Venus, which has an eight-year cycle of its own.

"Viva Sardinha!"



VIVA SARDINHA! Viva Sardinha!" An old woman, a bucket of live sardines on her head, called her wares in the sun-filled streets of Lisbon one morning in the summer of 1910.

And just at that moment a certain royal lady drove by.

A royalist cried "Viva a rainha!" and there was a feeble echo. Then the old woman's cry of "Viva sardinha! Viva sardinha!" quavered forth again. There was a wave of half-suppressed mirth, and then the crowd took it up full-throated: "Viva Sardinha! Viva Sardinha!" until the royal car sped out of hearing. Shortly after, the Revolution.

A nation that will cry "live sardine" after its reigning family might be expected to have an interest in the industry, but, buying our can of sardines for picnic or Sunday night supper we have become so accustomed to making our choice between domestic fish in mustard at twelve or thirteen cents a can and the infinitely more appetizing French sardines in oil at anywhere from thirty-five to sixty-five cents, that it comes as somewhat of a surprise to find that a medium-priced Portuguese sardine, perhaps not so high in quality as the French sardine, but certainly good, has entered the market strongly.

According to a report of Consul William W. Corcoran, of Boulogne, more than twenty tons of Portuguese sardines have entered the port of Boulogne since January 1, 1923, and notwithstanding transportation and other costs, are competing successfully with the French fish.

The largest part of the catch comes from the southern and southwestern coast of Portugal,



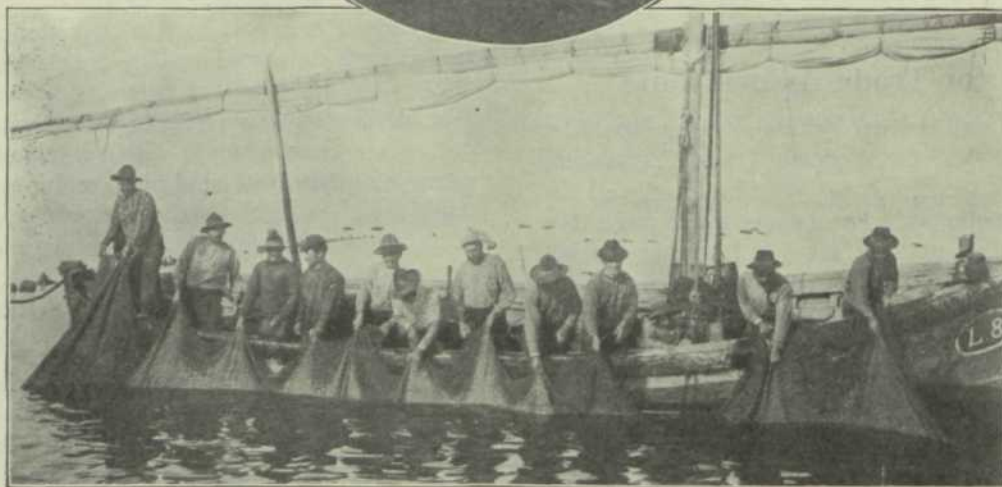
where picturesque brigands dredge the warm, blue waters of the Mediterranean in lateen-sailed boats which differ little from those of the early Phoenicians.

The run of the fish, like that of river salmon, occurs only at certain times, and it is a signal for much ringing of bells and blowing of whistles, at which the inhabitants pour out from their dazzlingly white little houses, the cafes are emptied and the population meets on the beach where, with the help of their slow-moving, long-horned oxen, the nets, "armação de pesca," are drawn in.

Frequently too, the fishermen go out in companies of about fifty, using one large seine-boat and several smaller ones. At Setubal (St. Ybes) where the good bay affords excellent shelter, the fish are caught also in purse seines (cerco americano) which are about 150 fathoms long and 40 deep and are closed, when filled, with a hand-winch in the boat.

Less picturesque but even more effective is the fishing at Algarve in the southern-most province on the Portuguese coast. This little town, which faces the Bay of Cadiz, has adopted modern mechanical de-

vices which increase the catch materially but which detract from the romance and glamor of the old-time fishing community. There are steamers with large purse-seines, and a number of canning factories. The steamers run out the net and then close it with a steam-winch, hauling it in by hand. Pilchards and horse mackerel are also found abundantly, and in less quantity, sprats. "Carapao" (the French "chinchard") are also plentiful, and the factories take all they can get.



Above is a typical fishing village on the Portuguese coast. In the oval is one of the picturesque craft of the sardine fishermen. Below a seine is being hauled in in the old-fashioned way, by hand.



Like *Sterling* on Silver

TOP, windshield, lights extra—thus concluded the motor car advertisement twenty years ago. The horseless carriage was a fair weather vehicle for day-time service only.

The first closed bodies for automobiles were built to order by carriage makers for individuals of wealth.

Today, even the lowest priced cars have finer closed bodies than the carriages of kings of old; but the building of a closed car body is still a task for highly trained craftsmen.

Fourteen weeks are required to complete one Cadillac body; and for every one completed 120 are in process. This necessitates factory space, a high type of craftsmanship and large financial resources. In these three essentials the Fisher Body

Corporation enjoys the distinction of leadership.

Buick, Cadillac, Chevrolet, Oakland and Oldsmobile are selling a constantly increasing percentage of closed cars. And wherever there is an important plant of any of these divisions, a Fisher plant is, or will be, close by.

Thus Fisher, producing the bodies which are the "neck of the bottle" in the task of supplying fine motor cars, adds an invaluable element to the service of General Motors.

Its emblem—Body by Fisher—has come to have a meaning like the sterling stamp on silver. It is a guarantee of body perfection in General Motors automobiles, and in many other trustworthy automobiles as well.

A booklet will be mailed you, if a request is directed to the Department of Financial Publicity, General Motors Corporation, New York.

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 Hyatt Roller Bearings • Jaxon Rims • Fisher Bodies • AC Spark Plugs—AC Speedometers
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- United Motors Service provides authorized national service for General Motors accessories •
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- General Exchange Corporation insures General Motors cars exclusively •

Assigned Car Rule At the Bar

By HOWARD WHEELER

TO A MAN up a tree, as the saying goes, it would appear that the railroads, and sundry other public service corporations, but particularly the railroads, had been asleep at the switch.

Perhaps this is all wrong. Perhaps they had been assuming that a forthcoming ruling of the Interstate Commerce Commission in the matter of assigned cars for bituminous coal mines would follow the lines of the Hocking Valley decision. Coal users dependent upon a steady and standard supply of fuel had adjusted themselves to this decision away back in 1907 and had come to regard it as a fixed government policy regarding distribution of coal cars to bituminous mines.

That the Interstate Commerce Commission did not look upon the Hocking Valley case in that light at all, was made rather startlingly evident in June of this year when it handed down a new ruling knocking the existing system of car distribution into a cocked hat and creating a situation that the railroads declare will increase their operating costs on the fuel bill alone by more than \$100,000,000 annually, and that means higher costs of transportation and consequent increased burden on the general public all along the line.

Before 1907 the railroads were accustomed to deliver to coal mines cars which were privately owned or leased, foreign railway-fuel cars and cars for the carriers' own fuel loading accordingly as the cars were consigned or assigned and as the railroads had contracts with mines for fuel coal for their own use. Such cars were not charged against the distributive shares of the mines to which they were sent. They were given to the mines for which they were intended and such mines received in addition their full share of the other cars available for distribution. The assigned cars, therefore, were not considered in the general distribution.

The Hocking Valley Case

THE Hocking Valley decision changed all that. It held that while private cars and foreign railway-fuel cars could be given to the mines to which they were consigned or assigned, they must be counted against the distributive shares of the mines receiving them and that if such special cars equalled or exceeded the distributive share of a mine receiving them, the mine should have no additional cars; but if not equal to the distributive share, the mine should be given only sufficient additional cars to make up its distributive share. Thus a mine under contract with a railroad, for example, for the delivery of a certain number of cars of coal a day, could, though its distributive share might be only 50 per cent sufficient to care for its capacity output, have enough special or privately-owned cars assigned to it to maintain steady capacity production. In some cases railroads and other corporations owned the mines themselves and through assignment of their own cars to their own mines to supplement the cars received as their distributive share were able to maintain a 100 per cent supply.

The new ruling of the Interstate Commerce

THE assigned car for fuel coal is regarded by the railroads as tremendously important in time of car shortage, when if railroads are unable to secure from the mines a full supply of coal, they have as their only alternatives the buying of "spot" coal, or the confiscating of coal shipped to commercial users and paying for it the market price. A recent ruling of the Interstate Commerce Commission on the use of the assigned car involves problems that bear not only on the price of coal but on commodity prices all along the line. The following article gives an explanation, and outlines both sides of a controversy that may be carried to the Supreme Court before it is settled.

—The Editor.

Commission says in effect that even if you own a mine and own the cars to carry coal from it, you cannot send it any cars whether you own them or not, that will bring the available supply of cars above the distributive share of that mine. The same principle is applied to mines that are leased or under contract to deliver coal.

Under the new ruling, if a mine has a capacity of a hundred cars a day and has a contract with a railroad for its entire output and if there are only enough cars available to make that mine's share fifty cars per day, fifty carloads of coal will be all that it can deliver.

The railroads consume nearly 28 per cent of the bituminous coal consumed and exported by the United States annually. They secure their coal for fuel purposes in various ways. Some carriers own mines from which they get a large portion of their requirements. Others contract for the entire output of certain mines for a fixed period, while still others contract for a partial output only, on a day-to-day basis. There are some of our railroads accustomed to securing their coal supply by the use of assigned cars under the rules of the Hocking Valley case, while others do not find it necessary, by reason of territory through which they run, to make use of the assigned car.

The Illinois Central gets from 60 to 75 per cent of its required coal from the Madison Coal Corporation, of which it owns all of the stock. The coal company owns eight mines in Southern Illinois on the St. Louis division of the railroad and does not engage in commercial business. The balance of this carrier's coal is secured by contracts of 30 days or as needed during periods of car surplus.

In the recent hearing before the Commission the President of the Illinois Central declared that the assigned cars are essential for the following reasons:

1. They gave the carriers a regular and certain supply of coal in time of car shortage.
2. The coals from different fields are not of the same grade, which requires that certain adjustments be made in the locomotives. The Alabama coal is a different grade from that mined in Southern Illinois, and, again, the coal in different counties in Illinois has different burning qualities.
3. Unless the carriers can contract for a regular and suitable supply of coal, resort to confiscation becomes necessary.
4. Going into the spot market would increase the price of coal, not only to the carrier but to the consuming public as well. This carrier burns about 5,000,000 tons of coal per year, or

from 250 to 320 carloads per day, and usually has on hand about 20 days' supply. During the winter it undertakes to store from 30 to 45 days' supply.

The arguments presented to the commission in opposition to this view were along the general lines that the assigned car practice reduces the supply of cars at commercial mines on certain divisions, since assigned cars are taken into account in fixing the number of cars to which each division as a whole is entitled; that there is a resulting wasting of cars, since a mine which is loading assigned cars usually has more cars standing over than one which is loading

commercial cars only; that the assigned car practice produces serious inequalities in working time in nearby competing mines; and that it affects the price of coal purchased by the carriers to a degree that is injurious to the mine operators since it may result in the shipper's buying a preference in transportation with coal and a carrier buying a preference in coal with transportation.

The Effect on Labor

LABOR costs and labor conditions in bituminous mines were particularly stressed by the opponents of the assigned car. The testimony was in conflict in many places. Mine operators it appeared are not in full accord that the assigned-car practice had been detrimental to them; but a majority of the operators and mine labor generally as represented at the hearing were of that opinion.

"Out of the mass of conflicting testimony," says the commission's report, "it may be conservatively stated as established that the general effect of the assigned-car practice is to attract as many desirable miners as can be given employment to the assigned-car mine, and away from commercial mines, and particularly so in the unionized fields. The commercial mine has a more rapid labor turnover than the mine operating with assigned cars. Often these two classes of mines are located close to each other, and the miners paid upon a quantity basis in the commercial mines are rendered discontented when they are compelled to remain idle a large part of the time because of car shortage, while neighboring mines with assigned cars are operating on substantially a full-time basis. This is one factor which has contributed to the unsettled labor conditions in the bituminous mining industry and has been urged as a reason in support of the maintenance of existing wage scales or for still higher rates of mine pay."

Even so, declared M. W. Potter, one of the four commissioners who filed dissenting opinions to the commission's ruling, the assigned-car practice furnishes the only cure in sight for a serious economic evil which, if not checked, will inevitably lead to trouble. This evil, as he outlines it, is over-expansion and over-development of mining operations which have led to a situation where the unnecessary high-cost mine is being supported at the expense of the consuming public. As to the extent and effect of this over-development, Commissioner Potter declares:

The conditions which prevail in the bituminous

New invention marks tremendous advance in eye protection!

Willson CLIPCUP brings comfort
and protection to workers
who wear spectacles

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Willson CLIPCUPS can be quickly attached to standardized spectacle frames, and can be as quickly removed. They consist of two protection cups, one to fit over each lens. Inside the cups, spring tongues adjust themselves automatically over the spectacle frame. The cups are fitted with standard Willson Super-Tough safety glass and safety flange.

Until CLIPCUPS were invented, the worker had the choice of wearing ill-fitting goggles awkwardly over his glasses, removing his glasses, or wearing them without the goggles. In any case, he could not work in both comfort and safety. Now the worker can wear his glasses at work and be fully protected from eye injury. CLIPCUPS fit perfectly and afford more comfort than any pair of goggles.

Protected with Willson CLIPCUPS, a worker can work in comfort and confidence without fear of injury to his eyes or glasses. They will pay the employer from the standpoint of production alone. CLIPCUP protection eliminates the cost of replacing expensive corrective lenses pitted by flying particles.

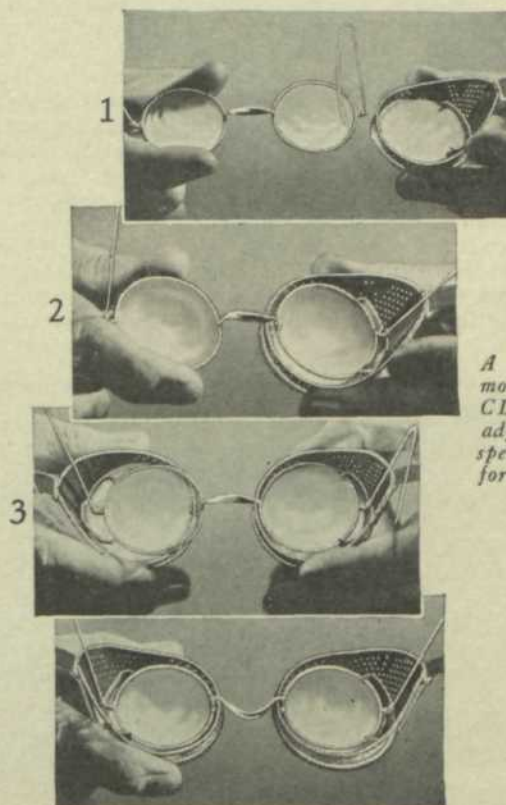
Development of the Willson CLIPCUP marks a significant advance in scientific eye protection. It is a boon to workers and fills a long-felt want of conscientious employers. For convenience, utility and comfort, the CLIPCUP surpasses anything that has yet been offered for the protection of workers' eyes. For descriptive circular and complete information address

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coal industry have been going steadily from bad to worse during the last decade. They are a wasteful burden on economic life, and breed discontent in our social order. The allurements of profits have led to gross over-expansion. With national need for about 10,000,000 tons a week, the capacity of developed and equipped mines is more than 20,000,000 tons per week. Excess capacity beyond what the market demands means idleness in the same ratio of mines, equipment and men. An excess investment of more than 100 per cent would bring ruin to any other enterprise. All of the excess burdens are distributed over the actual output of running time and are borne by the consumer in the price he pays for coal. . . .

Millions upon millions are being spent to provide additional mining capacity in face of the fact that every mine opened and every ton of additional capacity developed makes matters worse. No check is being applied. The sedatives of price-fixing, zoning and regulated distribution have been administered, but they do not reach the trouble. Reduction of high coal-production costs is a public necessity. A proper reduction of producing costs to a normal level should make a direct saving to the country in the price of coal of from \$500,000,000 to \$750,000,000 per year and much additional indirect saving. An amount equivalent to a contribution of perhaps upward of \$10 per annum by every man, woman and child in the country is being handed over to the coal producers in order to maintain mine employes as a favored class and mine operations as a favored industry.

Costs and selling prices can be brought down through control of transportation. If transportation were available to handle all or 12 million tons of coal steadily the surplus of available coal would break prices by forcing competition among producers, would close up high-cost mines, concentrate activity in 50 or 60 per cent of the mines, furnish steady employment at fair wages to the right number of men who should be engaged in coal mining and release the surplus for other industries where they are needed, reduce transportation cost, and break the vicious circle of high prices.

Who Pays the Bill?

THAT the public eventually pays the bill of this over-development is emphasized by those who take issue with the new ruling. "We might well consider," declares Commissioner Potter, "the effect of the rule of the majority report upon an industry like the Ford Motor Company, which employs, I believe, something like 70,000 men, and which, because of its efficiency, is able to pay high wages and produce at low costs. It might well be that such an industry would find that steady employment of its men and their scale of wages and the low cost and selling price

of its output would be imperiled by an uncertain car supply, increasing fuel costs, and unsatisfactory quality of available coal. (General information now current suggests the use of the Ford Motor Company as an illustration.

"Good management in the interest of all concerned would suggest the acquisition of coal mines and the application of methods of high efficiency in their operation. The use of private cars assigned to particular mines would seem to be indispensable. The majority report bars them. It supports coal operators who would force the Ford Company to buy coal that would not suit its purpose and pay high prices because of high costs which Ford management would reduce. It says that inefficient mines which should not exist must be supported at the expense of the Ford Company, its employes, and the purchasers of its product. This illustration is typical of what the majority report will do throughout the entire industrial world."

The Case for Discrimination

RAILROADS, the United States Steel Corporation and other public service institutions have asked for a reconsideration. Starting from the broad proposition, generally admitted, that it is in the public interest to have railway and other public service fuel of high and even quality, secured in steady supply and at the lowest cost, they argue that assigned and private cars mean efficient and economical transportation; that they make for uninterrupted mine operation, steady employment, a reliable and sure supply of coal to consumers, and low prices. If the assigned cars, in producing these benefits, involve discrimination against some individual mine operators, they contend that such discrimination is in the public interest, is just, and should be supported.

They admit that there is discrimination when cars are supplied to particular mines, but it is insisted that under existing conditions this discrimination is just and it is pointed out that there is always discrimination when, by common consent, anthracite is given a 100 per cent car supply for the good of all the people.

The supporters of the commission's ruling take direct issue with this point of view. They declare that it is practicable for carriers to store a substantial amount of fuel coal at points of consumption without undue expense; that carriers can distribute their contracts in such a manner as to insure them an adequate supply of suitable fuel without the use of assigned cars; that mine operators

generally will accept railroad fuel contracts on terms which will insure full delivery to the carrier without the assignment of cars; that many important carriers do secure their fuel coal without the use of assigned cars and all are in a position to do so; and that therefore the discrimination admitted is without the justification claimed.

Among the evils and injustices declared to be worked by the use of the assigned car the following are put forward by those who are supporting the ruling:

That assignment of cars for railroad fuel produces inequalities in working opportunity among mines, which cause serious injury to the operators, the public and the carriers.

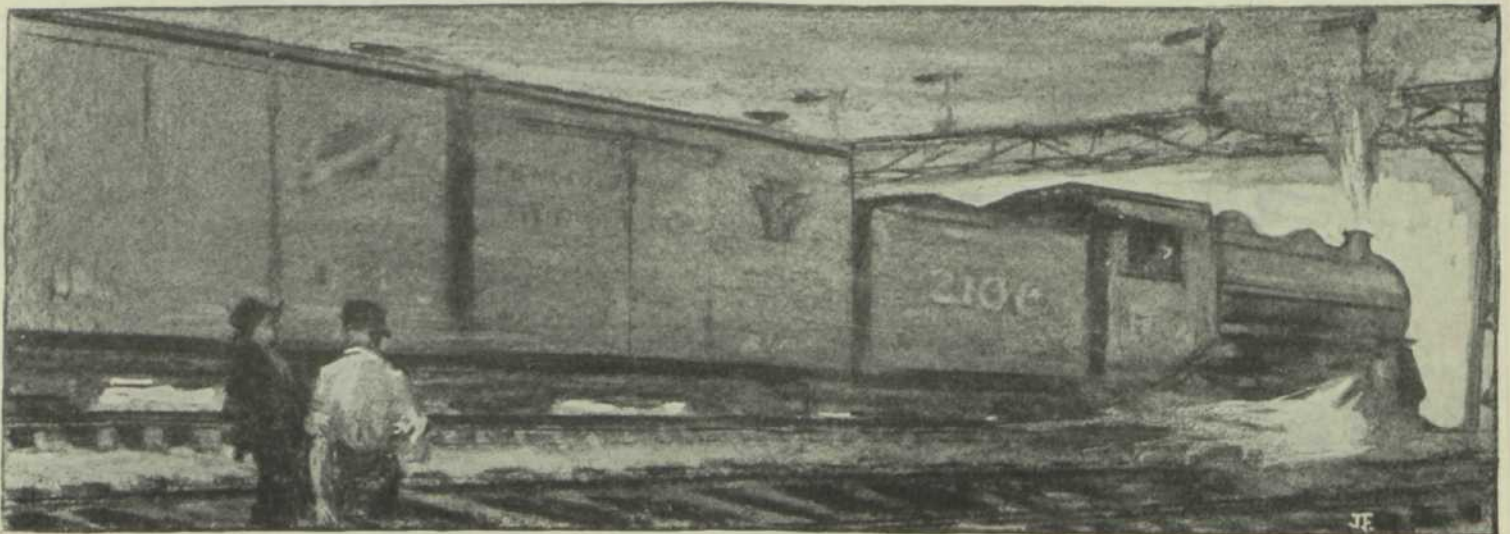
That the differences in opportunity to ship and therefore in working time among mines, caused by the use of the assigned cars, tend to deplete the labor supply of the mines working shorter time, increase their labor turnover, and produce inefficiency and discontent among the workers who remain and that, as a result, differences in working time bring about substantial differences in production cost per ton and thus mines engaged exclusively in commercial business are subjected to ruinous competition by mines receiving assigned cars for a portion of their output.

Coal Cars, and Prices

THAT in return for preference in car supply, made possible by the use of assigned cars, mines receiving assigned cars will reduce the price of railroad coal below what they would accept for it on a pro rata distribution of cars. John Callahan, testifying before the commission in behalf of the National Coal Association, declared that:

The railroads are one of the coal mines' best customers. Regardless of general business conditions, they are always large purchasers of coal and this is one of the important items in their budget. They naturally wish to buy it as cheaply as possible. At the same time the coal operator from whom they buy must make every effort to secure all the cars he has need for. The result of this situation is that the railroads as purchasers of coal constantly seek to capitalize their position as carriers of that commodity by holding out as an inducement to the seller preferential treatment in the matter of car supply.

Both sides are clearly determined in their divergent points of view and there is every evidence of a long struggle in prospect. It is being predicted that the contest over the ruling will be carried to the Supreme Court if necessary in an effort to decide a knotty distribution question once and for all.



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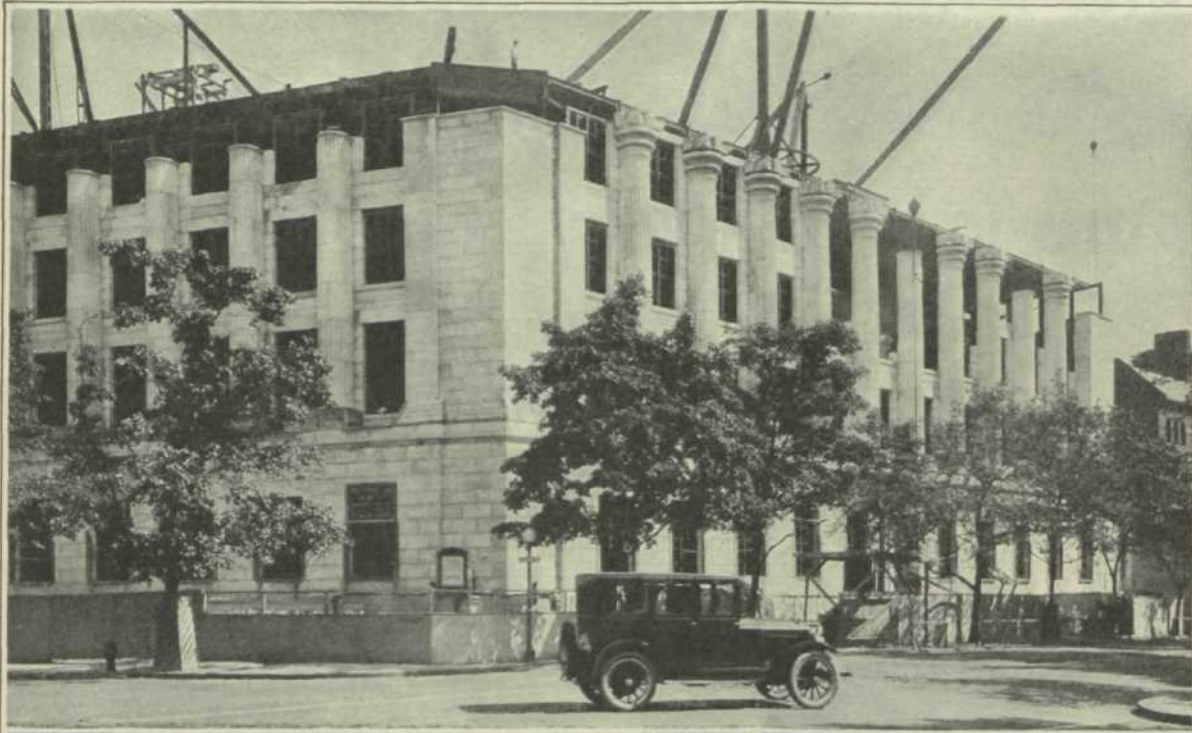
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New Chamber Building Reaches Roof



The upper picture of the building which is to be the home of the United States Chamber of Commerce at Washington was taken on September 10 when the limestone facing and the stately limestone pillars were rapidly nearing completion. Below, on the right, is a view of a busy scene in the court, taken on the same date. A comparison with the photograph on the left, taken on August 6, will give an idea of a month's progress in construction.

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"IT IS NOT WHAT WE HAVE BUT WHAT WE ENJOY THAT MAKES US HAPPY"—SPURGEON



LAND OF BETTER FARMS

SOMEWHERE on a farm "back east" he occupied himself with plowing and sowing, with crops and seed and fertilizers—but he never lost from sight the other things:

The things that make life worth the living; that still the lure of the city in the farm boy's breast; that make a woman sing about her work.

He looked beyond the fences of his fields—at life. And when he saw the opportunity to share in it more richly, he seized it. He journeyed to the land that promised more.

And there, in the Pacific Northwest, you will find him everywhere today—the type of all the men who live upon its farms.

* * *

The men and women who have come to the Pacific Northwest in search of a better farm life have found all things propitious.

First, soil of marvelous fertility; soil that, both irrigated and non-irrigated, produces high yields for all crops grown. Land, moreover, so diversified as to be adapted to practically every type of farming and every crop grown in the United States.

Second, a rare climate and a wonderful land of inspiring natural beauty that to-

gether bring health and a joy in living—a zest for work and enthusiasm for play.

These two things the farm folks of the Pacific Northwest have found awaiting them. With the spirit that brought them West they have added the other things.

They have developed high-producing acres, stock, poultry, crops, trees. They have built up an unusually efficient scientific research service. They have constructed roads, schools, universities, churches—always with the thought of improving on those they had known.

They have built themselves the kind of

homes they once dreamed about. For themselves and their children they have made available the leisure, the amusements, the luxuries and the educational advantages that mean so much.

* * *

The people upon the Pacific Northwest's 232,000 farms have learned the difference between living to farm and farming to live. And what nature has provided for them, together with what they have built for themselves, they are ready to share with others.

There is room for thousands more today—for millions. There is room for you. Land is plentiful and to be had at reasonable prices.

Whatever type of farming you have been engaged in, whatever type you wish to undertake—investigate the opportunities of the Pacific Northwest. See it for yourself, if possible. Let us put you in touch with reliable sources of information.

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A Business Call on Mr. Coolidge

THE Chamber of Commerce of the United States put itself on record with President Coolidge when on August 20 a distinguished committee of business men called at the White House to make plain to the new President the position of American business on a number of matters now in the public mind.

It was a statement rather than an argument which was placed before the President. The committee was headed by Julius H. Barnes, president of the Chamber, and with him went A. C. Bedford, of New York, vice-president of the Chamber for the eastern states and chairman of the board of the Standard Oil Company of New Jersey; John H. Fahey, publisher of the *New York Evening Post*, a former president of the Chamber; Lewis E. Pierson, a director of the Chamber and president of the Irving-Bank-Columbia Trust Company; Willis H. Booth, of New York, president of the International Chamber of Commerce and vice-president of the Guaranty Trust Company; Fred I. Kent, of New York, vice-president of the Bankers' Trust Company, a member of the Chamber's Foreign Affairs Committee; Charles F. Weed, of Boston, director of the Chamber and vice-president of the First National Bank; and Elliot H. Goodwin, of Washington, resident vice-president of the Chamber.

The subjects which the committee took up with the President, together with the Chamber's position on each, were:

INTERNATIONAL RELATIONS.—Economic disorder in Europe continues an obstacle to the establishment of permanent peace, to the elimination of unemployment, and to the restoration of normal living conditions, and contains also the menace of still further unhappy developments. It is clear that business conviction would welcome the opportunity for the United States, either officially or unofficially, to be helpful in the solution of these European problems, and with the least possible delay.

INTERNATIONAL COURT.—The Chamber already has urged that the United States Government take its place with the other nations of the world in this court, and expresses gratification in the measures being taken by our Government to that end.

RAILROAD TRANSPORTATION.—The Chamber stands for private ownership and private operation under fair and just regulation based upon recognition of the obligation of the railroads toward the public and likewise of the obligations of the public toward the railroads.

Active Chamber committees of experienced men have been working on certain phases of transportation with the object of formulating a program of recommended transportation development and treatment. The conclusions of the several committees (six in number) will be submitted to a general transportation conference this fall and from that conference we hope for findings and recommendations that will be helpful to Congress and the executive branch of the Government, especially in defining the proper relation of Government to transportation.

MERCHANT MARINE.—The Chamber is opposed to the Government engaging in commercial business. It believes that further efforts should be made to evolve a plan of operation by private citizens before entering upon direct government operation of government-owned ships. The Chamber favors a ship subsidy in the effort to equalize operation disadvantages of American ships. It has asked an investigation of the possibility of relaxation of burdensome restrictions without jeopardizing proper public safety.

TAX REFORMS.—The Chamber's position is: There should be a repeal of remaining war excise taxes with any needed revenues obtained from a sales tax.

When Leaders of the National Chamber Presented to the New President the Platform of Organized Business

There should be a readjustment of income surtaxes for the purpose of making them more fruitful in revenue by bringing back into productive and tax-yielding enterprise large amounts of capital which have been diverted into investments the income from which is free from federal taxation.

Future issues of federal obligations should have their interest subject to the federal tax.

Prompt and conclusive settlement of tax liability should be assured to all persons who act in good faith.

Income tax should not, in times of peace, be payable until the amount has been finally decided and this amount should be subject to later revision only in case of fraud.

Administration of federal income taxes should be so decentralized that a taxpayer may have opportunity for prompt initial decision of questions between him and the Government without necessity and expense of a trip to Washington.

Court of tax appeals, independent of the Treasury Department, should be set up with such procedure and jurisdiction as to assure an early and impartial decision upon substantial questions.

American citizens resident abroad should not be subject to the federal tax upon incomes derived abroad and not remitted to the United States.

NATIONAL BUDGET.—The Chamber feels there is every encouragement to develop and perfect the budget system.

IMMIGRATION.—The Chamber believes in restriction of immigration and in the principle of selection as a controlling factor in immigration legislation.

Because of lack of flexibility, the present Immigration Law is not adaptable to changing conditions. The Chamber therefore advocates that to the present 3-per-cent quota there should be added an additional 2-per-cent quota solely upon a selective basis, to provide a flexibility without affecting our social standards. This 2 per cent is a maximum and only such part (if any) of it as is necessary should be used to meet the recognized economic and social needs of the nation.

VETERAN LEGISLATION.—Repeatedly the Chamber has favored adequate provision for the disabled and certain constructive measures for uninjured veterans. The Chamber is against the cash bonus and the equivalent certificate plan for uninjured veterans.

TARIFF.—The Chamber advocated the principle of a flexible tariff; but it favors the creation of a separate Tariff Adjustment Board, so that the Tariff Commission may continue uninfluenced its unctious as a research and reporting body.

FEDERAL RESERVE SYSTEM.—The Chamber advocated the inauguration of this system, has affirmed its confidence in the principles of the system and its earnest conviction that no changes should be considered except such as will add further strength and usefulness to the present plan and will continue existing safeguards against partisanship in direction or in service.

Wide interest in this visit was shown by the daily press. Here are a few sentences from the many editorial articles:

Post (Chicago).—The United States Chamber of Commerce, through a representative delegation, has laid its views on public questions before President Coolidge. It is in keeping with the better standards of today that big business should do its talking in this open and straight-forward man-

ner. It is wholly proper and desirable that the President should be informed thus of what the business interests of the country are thinking in relation to issues which must be passed upon by him and by Congress. The summary of opinion presented is based upon referenda taken by the Chamber, in which its members throughout the country were given opportunity to express their views. The positions taken, therefore, represent the preponderance of business judgment.

News (Indianapolis).—The President was told that the European problem was financial and economic, rather than political. Messrs. Barnes and Booth are convinced that "there is small prospect, really no prospect at all, of the politicians of the world being able to restore normal conditions in Europe." The thing can, they say, be done by business men, among whom they include American business men.

Sun (Baltimore).—In addition to the observations of Secretary Mellon on his return from an extended visit to Europe, President Coolidge has had laid before him this week the carefully formulated opinion of some of the leading business men of the United States on the subject of intervention in Europe. The views of men like Julius H. Barnes, president of the United States Chamber of Commerce; A. C. Bedford, chairman of the board of directors of the Standard Oil Company of New Jersey; and F. I. Kent, vice-president of the Bankers' Trust Company of New York, are not to be lightly disregarded when the subject of American business is under consideration. When they and other men of prominence in the business world inform the President that American assistance in breaking the deadlock in Europe should be extended "with the least possible delay," it may be taken for granted that they speak with more knowledge of the necessities of the situation than is possessed by Hiram Johnson or other politicians in the camp of the isolationists.

Post Dispatch (St. Louis).—President Coolidge can have no doubt with regard to the attitude of business and the effect of the European situation on economic conditions here.

Globe Democrat (St. Louis).—The delegation of representatives of the Chamber of Commerce of the United States which called on President Coolidge the other day no doubt expressed the views of the great majority of well-informed business men the country over. . . . This organization is not representative of "big business" but of all business, big and little, throughout the country, that expresses itself through local Chambers of Commerce. . . .

STAR (St. Louis).—The most impressive body of men who have undertaken to go to him (President Coolidge) so far is the committee from the Chamber of Commerce of the United States. That is a representative organization, made up of delegates from various subordinate state and municipal bodies. It has sent leading business men to Europe to confer with business men there, and it has taken the utmost pains to make itself a safe and sane mouthpiece of American business judgment.

Evening News (Newark).—Sound and sane as were the suggestions made by the United States Chamber of Commerce to the new President, the representatives of that organization were rather previous in pounding upon him. Their recommendation could not have been adopted without an abrupt reversal of foreign policy.

Wall Street Journal (New York).—Various were the comments of bankers over the call made by a representative committee of the United States Chamber of Commerce upon President Coolidge when the views of business men were expressed regarding the big questions of the day, both domestic and foreign. What was said, for instance, in regard to private ownership and operation of railroads, opposition to government participation in steamship operation, reform of

50th Anniversary of the Typewriter



1873

Model 1 Remington. The first practical typewriter and the ancestor of all the writing machines in the world today



Cut from the first typewriter catalogue (1874). This picture of the girl at the typewriter was prophetic of the millions of women who have since earned their living through the writing machine

FIFTY YEARS AGO, in September, 1873, at the Remington Works, Ilion, N. Y., began the manufacture of a new machine which was destined to revolutionize business, free the world from pen slavery, and complete the economic emancipation of womankind. No other machine, no other invention, no other article of commerce of any kind has ever played a more commanding role in the shaping of business and social destiny.

Christopher Latham Sholes was the inventor of this machine, Ilion, N. Y., was its birthplace, and Philo Remington was its first manufacturer. Originally known simply as "The Type-writer," it is now known to fame and history as the Remington Model 1.

We are proud of our record as the founders of this great industry. We are equally proud of our many contributions to typewriter development, which have been continuous throughout the entire fifty years of typewriter history.

The first shift-key typewriter, writing both capitals and small letters (1878), was a Remington.

The first typewriter equipped with an automatic ribbon reverse (1896), was a Remington.

The first typewriter equipped with a decimal tabulator (1898) was a Remington.

The first adding and subtracting type-

writer appeared in 1907. It was a Remington.

The Remington brought out the first automatic line indenting mechanism (1908), the first key-set decimal tabulator (1911), the complete accounting machine (1914), and the first portable typewriter with complete, four-row standard keyboard (1920).

Here is a record of progressive pioneering unparalleled in the typewriter industry—but even this does not complete the Remington story.

The latest and greatest Remington contribution to typewriter progress is the new Quiet 12. This new Remington is quiet in its operation. The "natural touch" makes its use a pleasure to the operator. The completely enclosed frame is a protection against dust and dirt, and helps to keep the machine in good working condition. And refinements in the printing mechanism insure good work—always.

This latest Remington is a fitting product of the comprehensive and unrivaled experience of its builders. It has the sum of every quality any user has ever wanted in a writing machine.

1923

Model 12 Remington
The culmination
of 50 years of typewriter
progress



Remington Typewriter Company
374 Broadway, New York Branches Everywhere



Christopher Latham Sholes, inventor of the typewriter, at work on one of his experimental machines (1872)

the tax laws, especially readjustment of income taxes, modification of the Present Immigration Law, opposition to the Bonus Bill and a more flexible tariff provision received general approval, although the expediency of thus attempting to influence the President's opinion was also commented upon.

New York Times.—The recommendations laid before President Coolidge by a committee of business men, most of whom represent the Chamber of Commerce of the United States, are, in the main, sound and admirable. . . . President Coolidge is said to have played before the delegation his favorite rôle of "a good listener." The most objectionable plan urged upon him by the committee was a ship subsidy. This was done, presumably, in order to keep the record of the Chamber of Commerce of the United States consistent.

New York World.—As the President knew, these men were speaking a highly responsible conviction when they told him that American

participation in settling the reparation issue would relieve farmers and benefit industry. . . . The *World* believes with the business men of the Chamber of Commerce that early constructive American intervention in the economic affairs of Europe will help restore the world to its balance.

Brooklyn Eagle.—The President was handed a memorandum citing the position of organized business on practically all the important economic issues before the Government. It was a business-like document, free from political flub-dub, setting forth the mature views of hard-headed men who direct the activities upon which the well-being of the nation depends.

Commercial Tribune (Cincinnati).—All of us have legitimate interest in all matters of administrative government. As was to have been expected, these business men advanced in their review in the main sound principles of proceeding. Their positions on some proposals will meet opposition among others, and no doubt they will fail of unanimous support even among men

of big business. Logically they are conservative.

Public Ledger (Philadelphia).—Private ownership of railroads should be continued under fair regulations that will take into account the mutual obligations of roads and public, the Chamber of Commerce of the United States tells President Coolidge. This is sound doctrine. One of the best proofs that it is sound is the certainty that Magnus Johnson, Dr. Shipstead, Smith Brookhart and Robert La Follette are, or will be, against it.

Commercial Appeal (Memphis).—The attitude of American business towards problems of international and national concern, as exhibited in recommendations to President Coolidge by the United States Chamber of Commerce, shows in the main, but not wholly so, a dispassionate and unselfish view of such matters. We cannot attribute selfishness to business and industrial leaders when they urge that the United States help "with the least possible delay" in the solution of Europe's troubles. . . .

Economics in Readable Form

TOO OFTEN books on economic and financial subjects are so theoretical and abstract that the practical man of affairs, after the perusal of a few pages, turns from the book in despair if not in contempt. Unfortunately, there has developed a group of professional economists whose jargon is not always intelligible even to themselves. Unfortunately, also, there is a certain type of economist who is more concerned with logical deductions from assumed premises and in discussing the problems of a hypothetical world than he is with conditions in the actual world in which he lives. "Money," by William T. Foster and Waddill Catchings (Houghton-Mifflin Company), here under review, is the direct antithesis of all this. It is an essentially realistic analysis of the part that money plays in the modern business world, and it is written in a style unsurpassed for clarity and attractiveness in economic literature.

The authors themselves present a unique combination in the field of economic investigation. Some decades ago they were college classmates of kindred intellectual interests. While Mr. Catchings went out into business and rapidly became one of the great business men of the country, Mr. Foster remained in the colleges, first as a teacher of English and later as college president. Now—still young—they have united their energies and their talents under the auspices of the Pollak Foundation for Economic Research, and this exceptional volume represents the first fruit of their new labors.

The central question with which the book is concerned is that of stabilizing business conditions. Money—its use in the manifold activities of the productive system, its employment in consumption expenditures, its relation to changes in price levels, etc., etc.—constitutes the key to the whole problem of the business cycle, with its periodic spectacle of unemployed men and women, idle plants and equipment, and stagnant markets.

In the twenty-one chapters into which the book is divided, the business man will find a trenchant discussion of almost every monetary and banking problem with which he is familiar. The book does not, however, merely concern itself with discussing this, that, and the other problem, revealing errors and fallacies, but it develops the authors' own conception of the fundamental causes of fluctuations in business and the directions in which we must look for the means of minimizing the losses incident to business instability.

In the course of the development of their

A Review by H. G. Moulton of Foster and Catchings' "Money"

own views, they give attention to such vital current issues as the Ford and Edison commodity money; the meaning and causes of inflation; the part that money plays in international trade; Fisher's stabilized dollar; the theories of Hobson and Douglas—British economists who have contended that the fundamental cause of business reactions lies in the inadequate incomes of the working classes—the theory of overproduction and of maladjustment between agriculture and industry as causes of business depression, and numerous other concrete problems.

In briefest summary, the constructive analysis of the authors is as follows: Our whole industrial order is based on production of goods for sale at a money profit. The way in which the whole economic system operates depends upon the way in which the money system operates. While it is one of the clearest lessons of economic history that gold provides the most suitable and satisfactory basis for a monetary system that has yet been discovered, an equally important lesson of economic history is that our present monetary system, based on gold, paper money, and banking credit, is very far from perfect; that the great economic problem of our times is to improve this monetary system to the end that the disastrous fluctuations in business activity may be mediated.

The Flow of Money

IN performing its work in the conduct of business, money moves in a complete circuit, from consumer who pays it out in the retail markets, through retailer, wholesaler, manufacturer, producer of raw materials, back through the hands of wage earners, interest receivers, profit makers, etc., once more into the retail markets. A significant point is that most of this currency passes through financial institutions en route.

When this flow of money around the circuit is unimpeded, the amount of goods demanded in the consumers' markets is just equal to the flow of goods from producers into those markets, and business is in a satisfactory condition. If anything occurs anywhere along the line—in the distributing markets, in the producing markets, or in the financial institutions—to reduce the supply of

funds passing into retail channels, the circuit is broken and business enters into a period of depression. Contrariwise, if anything occurs to expand the volume of currency being expended in the consumers' markets relatively to the volume of goods entering markets, business is temporarily accelerated and enters into what is known as a boom stage.

Boom periods of business, whatever the particular circumstances causing them, are bad since they necessarily lead to subsequent depression. The major source of disturbance to the even flow of money around the circuit is to be found in the banks. Indeed, the authors raise the question whether anything that happens to money in any other part of the circuit can cause a major disturbance in business. The raising of discount rates by the banks in a time of rapid business inflation is a tardy and insufficient means of control, although it would no doubt be a moderating influence. Some other means must be found if complete stability is to be attained.

The authors tentatively suggest that United States notes redeemable in gold might be promptly put into circulation as the price level falls and promptly taken from circulation as the price level rises. They do not suggest the precise means by which this money is to be put into or withdrawn from circulation; and in connection with this plan, which is presented at the very end of the book, the authors for the first time seem to the reviewer to have departed from a realistic study to the realm of theory.

They assume that such changes in the volume of currency, regardless of the administrative difficulties involved and regardless of the complex factors which govern business and financial conditions, would more or less automatically keep prices stable and business good. No doubt, in later studies which the authors have promised us, this plan will be developed much further. The plan is obviously only a tentative suggestion, and the authors are in no sense dogmatic. They are intelligent, sincere students, seeking to throw light upon the greatest of all economic problems.

They have performed a service of inestimable value. And just at this time when so many panaceas are being advanced as a cure for the ills of business, Messrs. Foster and Catchings are deserving of more than ordinary appreciation for the service rendered. This book should be read with great pleasure and with much profit by business men everywhere.



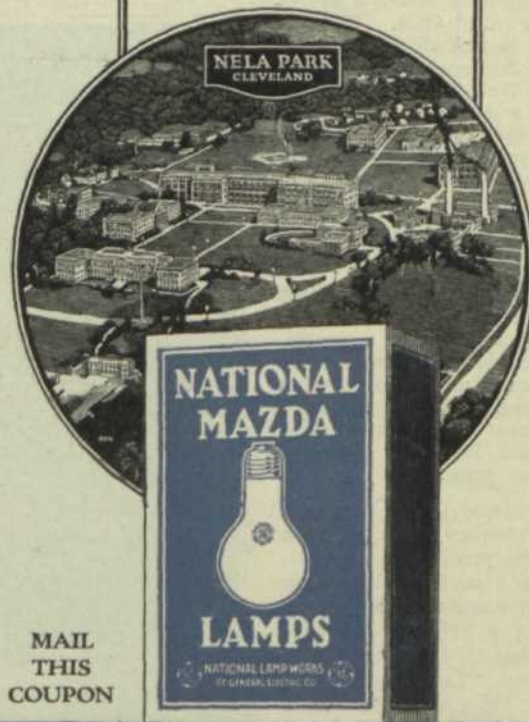
Lighting

reduced unit costs for Sangamo Electric Company

"Our first lighting with old carbon lamps gave each employee a little circle of light with the rest of the room in darkness. The result was eye strain, nerve fatigue, lower quality of product and reduced output. With our present lighting system, employing MAZDA C lamps properly spaced and shaded, we have eliminated these conditions and thereby reduced our unit manufacturing costs."—R. C. Lanphier, Vice President and General Manager, Sangamo Electric Company, Springfield, Ill.

If your annual use of lamps is \$150 or more, you are entitled to a contract price that will substantially reduce your lamp bill. Mail the coupon for full details of contract plan.

Send for booklet: "Cutting Factory Costs with Lighting," telling how to make inexpensive improvements in lighting, and giving the experience of well-known manufacturers.



MAIL
THIS
COUPON

NATIONAL MAZDA LAMPS

NATIONAL LAMP WORKS
of General Electric Company
Nela Park, Cleveland, Ohio

Please send me the following: Full details of the savings made by taking advantage of annual lamp contracts.
Booklet "Cutting Factory Costs with Lighting".

Name
Street and Number
City and State

Looking In on Congress

THE soul-satisfying American indoor sport of holding post-mortems over past elections, relished alike at the

The Agile Monkey Enlivens a Post-mortem

cross-roads store and in the urban club de luxe, is not a pastime exclusively for those who are independently poor nor yet for the idle rich. Hard-working congressmen take a little time off to match yarns across the central aisle, yarns showing exactly how it happened. Mr. Yates (Ill.) spun one of these to his colleagues:

The story is that once upon a time the proprietor or manager of a cotton field conceived a bright and happy idea, which was that a monkey might be taught to pick cotton. He started in on the experiment, and it was almost a success. The monkey was a willing worker, very industrious. He gave his whole mind to the subject. There was only one trouble, and that was that he did not recognize any geographical distinctions or limitations or boundaries; and when he got to the end of the field, instead of going back on the next row, he just hopped over the fence and plucked the neighbor's cotton, which was not in the bargain. . . .

Far be it from me to compare the American voter to a monkey. I do not mean that, and you cannot say that I did. I seek his vote and will continue to seek it, but when he got through picking cotton in New York and New Jersey and in Indiana and Michigan and Minnesota and Wyoming, he just calmly hopped over the fence and landed in a beautiful cotton plantation called Ohio. There he proceeded to pick all the nice delicate blossoms from a lively boomlet for the Presidency, being nurtured and tenderly cared for in the broad fields of one Pomerene. Then, after three or four more lively skips, he landed in Nebraska, and there picked all the delicate blossoms from another boomlet, cherished and fondly cultivated by one Hitchcock.

Mr. BARKLEY (Ky.): What about Beveridge, of Indiana?

Mr. YATES: Oh, wait a minute. I object to being interrupted by McMracken County. Then, when he got through with Nebraska, he hopped over into Texas and brought back Wurzbach, Republican member reelected.

Mr. Lowrey (Miss.) wanted to tell a "monkey story to match that of the gentleman from Illinois. In a southern town two negroes were watching a monkey dressed in a brilliant red coat and dancing to the music of a hand organ. One negro said, 'He's des ole time folks; dat's all he is. He ain't nuffin' but des ole time folks.'

"Ef he ole time folks," replied the other negro, "den why don't he talk?"

"Case he got too much sense to talk," replied the first. "He know if he talk de white folks will fin' out he des a common nigger and take dat fine coat off him and put him to work in de cotton patch."

"My friend from Illinois (Mr. Yates) undertook to apply his

Essence of Wisdom and Near-Wisdom Distilled from the Talk of the Great and the Nearly-Great

story to illustrate the situation in the recent elections. I think my story illustrates it better. Some of our friends on the other side have talked entirely too much, and consequently some of them after the Ides of March will find themselves stripped of their official robes and perhaps working in harder fields."

Wherein Is Talk of Salaries, Seeds and Statesmanship

reason why he should have \$3,000," Mr. Johnson spoke to his amendment. "He seems to be an assistant to an assistant who is an assistant to an assistant. Are we drawing it pretty fine and getting it pretty thin?"

Mr. LONDON (N. Y.): Mr. Chairman, there are four reasons why I rise in opposition to this amendment offered by the gentleman from Washington. The first is that it is offered by the gentleman from Washington.

Mr. JOHNSON (Wash.): That is a good reason.

ONE day Mr. Johnson (Wash.) offered an amendment: "After the words 'executive assistant' strike out '\$3,000' and insert '\$2,500.'" "There is no

Mr. LONDON: Reason No. 2 is that it is supported by the gentleman from Texas (Mr. Blanton). The third is that I have not said anything on the floor for a week or ten days. The fourth reason is that the gentleman from Washington, having been formerly an editor, shows a profound contempt for the profession, a profession which, in my judgment, is very much underpaid.

Mr. JOHNSON (Wash.): The gentleman from New York misses the whole point. I have a great admiration for editors, but I do not want the editors overridden with assistants put over them with better pay.

Mr. TILSON (Conn.) suggested that "this is a field where we can better spend the money than in sending out little packages of seed."

Mr. LONDON: Oh, when you take away the seed you take away nine-tenths of the statesmanship of many members.

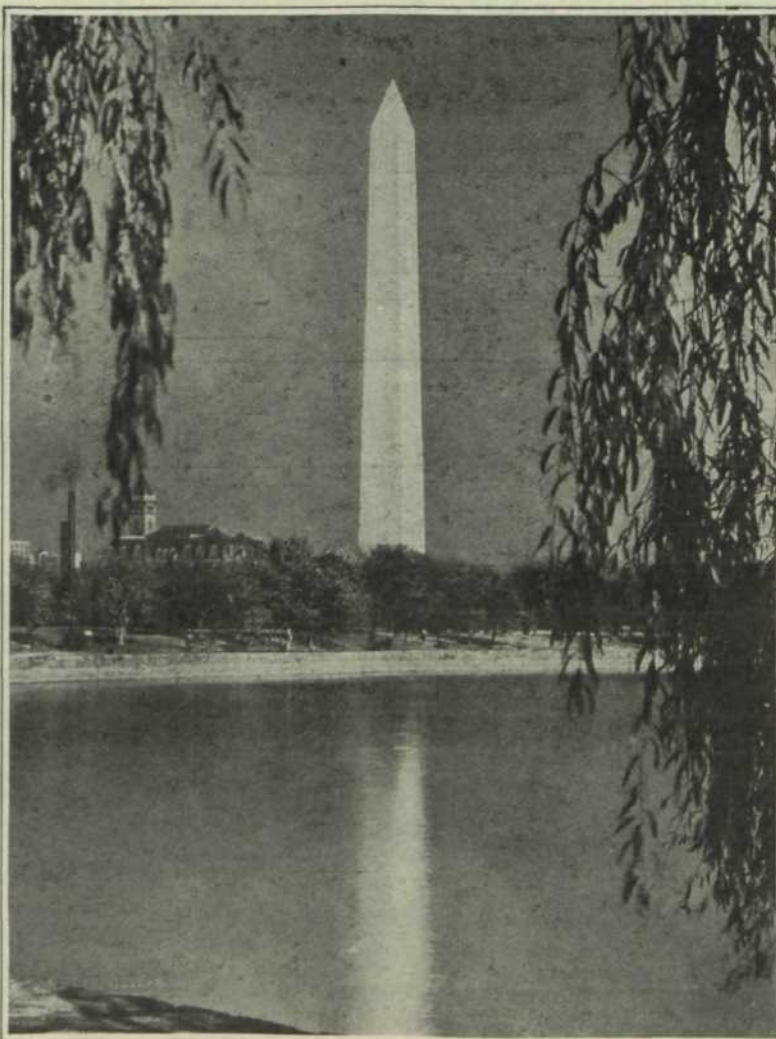
While seeds and salaries were under discussion, Mr. Hudspeth (Texas) owned that "we old comen out in the sticks used to say that a little tick that alighted on an animal and bit that animal did not produce fever, but when we lost an entire herd we were convinced that there was something wrong with that tick. Then a man from the Department of Agriculture showed us how to destroy the tick. . . . I want to say that the farmers of my district, who wear high-heeled boots and ride the double-shovel plow with spurs, would vote for the increase of salary to get the best talent possible. . . ."

Mr. STAFFORD (Wis.): Now the dear farmer is involved. I see all about me a large number of the farm bloc; anything at all from the Capper-Tincher bloc, the famous farm bloc in Congress, anything that emanates from Capper and Tincher goes. No matter how much it costs the Treasury, if it comes from Capper, the leader of the senatorial farm bloc, or from Tincher, the would-be leader of the agricultural bloc in this House, it is going to go. . . . I am not blaming my good friend from Texas, while the picking is good, that he should single out a man to increase his salary from \$4,000 to \$6,500. But, gentlemen, let us hurry and pass this bill, else there is danger that the committee will increase everybody's salary in the department.

Mr. KINCHELOE (Ky.): Mr. Chairman, of course we are all very much impressed by the statement of the "farmer" from Milwaukee. . . . Here, when the great sugar interests from New York came down to loot the Treasury, my distinguished and economical friend from Milwaukee was right there with his scoop into the Treasury. . . .

Mr. BLANTON (Texas) contributed his bit to keep down an increase for the House janitor. "We have important employees of this House sitting at this desk and others . . . only receiving the pay of \$1,800—"

Mr. LONDON (N. Y.): Mr. Speaker, I raise the point of order that the gentleman from Texas asked that he might have a moment in which to discuss his amendment and that moment has expired.



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**"GMC TRUCKS ARE
SEVEN STEPS AHEAD"**

Dependability

"I purchased a Model K-16 GMC Truck on September 15th, 1921, on which was mounted a 14 passenger, full Limousine Stage type body. This job has been in continuous service since the above date, covering approximately 90,000 miles. With the exception of four new piston rings and one exhaust valve, the motor has the original parts. I believe this extraordinary length of life is due directly to the pressure oiling system in the 'K' series motors."

—R. H. Visser, Yakima, Washington.

Economy

"Having an orchard of 3,100 bearing peach trees we have thoroughly solved our hauling problems with GMC Model K-16 Truck, which we have been using now for over two years with no expense except gas and oil and is very low on these."

"I have used several different makes of trucks and my experience proves to me that the GMC will do the hauling cheaper than any truck that I have ever used."

—Ridgeway Brothers, Herrin, Ill.

Uninterrupted Haulage

"My truck has run every day since I purchased it from you and has not cost five cents for one year's service. This is more than I can say for the other trucks that I have owned. The GMC was one year old June 2, and it is in first class shape—just like a new truck."

—R. A. Friedman & Co., Nashville, Tenn.

Low Upkeep

"We have been operating a Model 16 one ton GMC for the past three years and find, in compiling our costs the first of this year, that the total repairing expense has been less than \$25.00. We certainly are very much pleased with the performance of this truck. We estimate that the total mileage covered to date is close to 30,000 miles."

—Schneck Lumber Company, Waterloo, Iowa.



The Final Proof of GMC Value

*Their owners testify to their worth
in actual service*

When an organization has built into a motor truck the finest quality possible—has fashioned it according to the best design and has determined by extended testing that it provides more continuous and more economical transportation—

Then, only one other thing is needed to prove its value. That is its record of service in the hands of truck users. Read what these owners of one ton GMC trucks say. Theirs are representative of the nation-wide experiences of thousands of other GMC users.

The Model K-16 one ton truck embodies the principles of construction that have placed GMC trucks—"Seven Steps Ahead" in the development of motor truck transportation.

Now obtainable with a six post flare-board delivery body, with open or closed cab, and complete in every detail, this model offers a value without a superior for the haulage of ton and lighter loads.

GENERAL MOTORS TRUCK COMPANY

Division of General Motors Corporation

PONTIAC, MICHIGAN

In the Dominion of Canada

General Motors Truck Company of Canada, Limited, Oshawa, Ontario

GMC Truck chassis list at the factory as follows: 1-Ton, \$1295;
2-Ton, \$2375; 3½-Ton, \$3600; 5-Ton, \$3950. Tax to be added.

General Motors Trucks



Mr. BLANTON: Well, I did not ask for any ordinary moment.

The SPEAKER *pro tempore*: The gentleman from Texas, as usual, is speaking in a Pickwickian sense.

Mr. BLANTON: And the Speaker *pro tempore*, as usual in the House, violates the rules and gets personal. . . .

Concerning Art Experts and Their Uselessness

IF THE House janitor lost a rise in salary, the head of the Fine Arts Commission fared worse. Mr. Wood (Ind.) declared not only that he had no salary at all appropriated but that "not one cent was to be paid for that gentleman to gallivant around the country on. He did not gallivant last year. He is here by reason of a subterfuge, and the only excuse he has for being here is by reason of a place provided for him in the Congressional Library, where he is supposed to be a judge of ancient manuscripts. He does not know any more about ancient manuscripts than the devil does about Sunday. He professes to be all-wise. He is an architect; he is an engineer; he is an archaeologist; he is an ethnologist; and, I suspect, he is a hypnotist."

Mr. BRIGGS (Texas): Did not the gentleman describe him last year as a world traveler?

Mr. WOOD: I do not know how I described him last year. I know what I think about him this year. In the last Congress we appropriated \$20,000 to find out where to locate a memorial bridge. Everyone, so far as I have been able to determine, except Mr. Moore, was in favor of the New York Avenue Bridge—the President of the United States, the Vice-President of the United States, the Speaker of this House, and the engineer—but somehow this gentleman took a trip around with them, and they located it according to the plans of Mr. Moore, and they are going to end it, like a pig in a poke, against a stone wall over at Arlington.

Mr. BRIGGS: Why is it that his services are not dispensed with if he is so hopelessly inefficient?

Mr. WOOD: Well, toads and snakes have been found in the most seeming inaccessible and indefinable places.

Mr. KINCHELOE (Ky.): Who appoints this man?

Mr. WOOD: The President.

Mr. KINCHELOE: Can he not remove him?

Mr. WOOD: Yes.

Mr. KINCHELOE: Will the gentleman give the committee some information why the President does not remove him?

Mr. WOOD: No; I wish I knew why he does not.

Mr. KINCHELOE: Was he not reappointed recently?

Mr. WOOD: I understand he was reappointed because he wormed himself into the good graces of Elihu Root, of Chief Justice Taft, of Secretary of State Hughes, and 40 or 50 more. . . .

Mr. BANKHEAD (Ala.): He seems to be a rather influential toad.

Mr. WOOD: Yes; that is right.

Other alleged enormities laid at the door of the Fine Arts Commission were "locating the monument to Lincoln in a swamp that has sunk and is sinking today and is requiring constant outlay of money"; the monument to Commodore Perry at Put in Bay "was located, with the assistance of the head of the Fine Arts Commission, in a swamp. He seems to have a penchant for locating monuments in swamps." "He proposes to buy Mount Hamilton at an outlay of \$345,000. It would take ten times as much as that to blast the rock away to get place enough to stand erect."

ART IS long, the poet says, and the Congress avers it's expensive. But it is only natural for those who pay the bills to sputter, and Ole Pa Congress is not different from

dads in real life. The symptom is not serious. The next time a new hat or a new monument is wanted, *they'll* pay. Where the gloom strikes in, and the mood becomes sad and satiric, is where the Ole Man looks out over his spectacles for the fellows who haven't called to pay up. Mr. Madden (Ill.) was saying, with regard to railroad earnings, that "the existing law provides that where the earnings of a road are over 6 per cent the excess must be divided between the Government and the railroad, and that part of the money which goes to the Government shall be used by the Interstate Commerce Commission to buy equipment and rent it to the weaker roads. . . ."

Mr. GARNER (Texas): I would like to ask the gentleman from Illinois, chairman of the Appropriations Committee, if they put this money that is paid over by the railroads in a vault by itself.

Mr. MADDEN: I did not suppose they put it in a vault.

Mr. GARNER: Has the Government of the United States received one single five-cent piece on that account?

Mr. MADDEN: I do not think it has. . . .

Mr. GARNER: I would ask the gentleman from Illinois (Mr. Madden) or the gentleman from Indiana (Mr. Wood) . . . what efforts are being made to recover that money.

Mr. WOOD: I have already more troubles than I can take care of and I am not inviting any more. I do not know anything about it.

Similarly, a sad, satirical mood was apparent when the British debt settlement was being discussed, and the amendment providing 3 per cent interest was under consideration.

Mr. BLANTON: If the other country wanted to come up and say, "I do not treat my obligations as a scrap of paper; I want to pay 4½ per cent interest, what I agree to pay." . . .

Mr. BURTON (Ohio): Will the gentleman promise to make that same speech to these governments that are indebted to us and induce them to come up and say that?

Mr. BLANTON: . . . You could not accept a more favorable proposition.

Mr. BURTON: Certainly we could. . . . But it is inconceivable that that will happen.

Wherein a Dis- cussion of Traf- fic Laws Becomes Slightly Ana- tomical

There are only two classes of people in the streets—the quick and the dead. If a person is not quick, he is very sure to be dead. . . . The law is sufficient if enforced by the courts. They should send these violators to jail, as they do in Detroit.

Mr. STAFFORD (Wis.): The case in Detroit was because Judge Bartlett had the guts to punish.

After more discussion, and the reading of newspaper comment on Judge Bartlett's policy, Mr. Smith (Idaho) arose:

Mr. Speaker, I move that the remarks of the gentleman from Wisconsin (Mr. Stafford) wherein he used the word "guts" be expunged from the Record.

THE SPEAKER: They are disgraceful and should not have been uttered on this floor.

Mr. BLANTON (Texas): I think my colleague from Idaho (Mr. Smith) has acted rather hastily. If he will examine the *Congressional Record* he will find that very expression used in at least a dozen places.

Mr. SMITH: That may be, but it has no proper place there.

Mr. BLANTON: Why, that is a favorite expression of my colleague from Arkansas, Mr. Wingo. . . . I am sure if the gentleman from Idaho had waited for a few minutes until the reporter's

notes were handed to my friend from Wisconsin he would find, probably, that the word had been deleted by the gentleman from Wisconsin.

Mr. STAFFORD: I question whether the gentleman from Texas has any authority to make that statement.

THE SPEAKER: The gentleman will confine himself to the subject of the debate.

Mr. BLANTON: . . . There is surely some latitude in debate here. A member does not have to get up here on the floor and imagine that he is out under the timid, shrinking Idaho skies every time he opens his mouth. He is on the floor of the United States House of Representatives where he is supposed to speak his mind even if he has to use a good old-fashioned expression once in a while. I want to say that it is a good expression that my friend from Wisconsin used, and I wish that more of us on this floor had more of just what he mentioned.

Mr. STAFFORD: Mr. Speaker, I move the previous question on the motion of the gentleman from Idaho.

The question was taken and the motion rejected.

Secretaries' School a Success

BETTER courses and a larger enrollment were notable features of the third annual session of the national school of commercial and trade executives, under the joint auspices of the Chamber of Commerce of the United States and the National Association of Commercial Organization Secretaries, held at Northwestern University, Evanston, Illinois, from August 19 to September 1.

More than 250 men were registered in the school. Students who had attended the two previous sessions were in conspicuous number, with about half the registration drawn from new men. Although naturally greatest from the Middle West, the enrollment carried a strong New England and southern representation, and men were also registered from the far west and Porto Rico.

The selection and administration of the courses reflected the experience gained by the instructors and the administrative staff at the earlier sessions. The lecturers knew the type of men coming to the school and were able to direct their efforts to better purpose with the maturity of the students in mind. Greater emphasis was given to the needs of the small-town secretary and of the new man just entering secretarial work. In addition to fundamental courses, seminars were held for advanced students. The seminars developed discussion of the activities of chambers of commerce and the professional functions of secretaries, and were offered to bring secretaries abreast of the current practice in chamber of commerce work.

As in the earlier sessions, the exactions of the courses kept the men occupied until 4 in the afternoon, with considerable time in the evening given to study. Morning classes began at 8.30, a half hour earlier than before. The luncheon period gave the men an hour of relaxation, and the time was utilized for presentation of a variety of programs. Music and serious talks had place at the noon hour with "stunts."

The life of a secretary in "Home-town" was presented in a sparkling travesty of human foibles, which yielded to a course of treatment at the school with obvious benefit to all the characters in the playlet. The daily schedule included a general assembly in the afternoon at which the students were addressed by men of important achievement in business, in the academic world and in commercial organization work.

The Letter that Lighted Two Million Lamps



FORTY-TWO years ago, by the flickering light of a kerosene lamp in the little town of Shenandoah, Pennsylvania, a young mine worker sat down at the close of the day, and wrote this letter to the editor of the "Mining Herald"—

"Will you or some of your readers be kind enough to inform me what form of airways offers the least resistance—circular or square?"

This letter may not mean very much to-day, but it meant a great deal in 1881, when accidents due to imperfect mine ventilation were taking a frightful toll of lives.

Picture the scene and the circumstances. . . . Here was a young mine worker who wanted information on a subject connected with his daily work. He wanted it quickly, even desperately, for it might conceivably be the means of saving his life and the lives of his fellow workers.

He had sought the information in many places—he had asked many men. Nobody seemed able to answer his question. So he sat down and wrote to the "Mining Herald."

It was a simple letter, yet few letters ever written have had greater influence on the lives of as many men and women.

For out of the answering of that letter and the many others that followed grew the "Question and Answer Department" of the "Mining Herald"—a great clearing house of practical information.

And then came the great conception. Men who had left school to earn their own living wanted to know more about the work beneath their hands. Why not give them this knowledge with a measure of thoroughness that would not only answer present urgent inquiries, but would prepare them to advance in position and in earnings? And why not provide it by a method that would make each home a school and the spare hours of evening the time for study?

Out of this impulse to serve came the International Correspondence Schools, and a new idea in education was born.

The first student of the Schools was enrolled on October 16, 1891. By December, 1910, the enrolment was 1,363,700; and by June 30 of the present

year it had grown to 2,561,312, the largest enrolment of any single school in the history of education.

In October, 1891, there was but one course—coal mining. By 1899, 50 courses were available—and to-day the International Correspondence Schools provide 304 courses covering practically every technical and engineering branch, and almost every department of business.

These figures are significant as indicating the swift and far extending growth of a great idea. But most important of all are the records of personal achievement made possible through this innovation in education. Carpenters have become architects; mechanics have become engineers and superintendents; clerks have become executives and proprietors of businesses of their own; unskilled workers have risen to splendid positions of responsibility—men and women of a hundred undeveloped talents and inclinations have found in the International Correspondence Schools the way to satisfying careers, useful lives and happy, prosperous homes.

Whatever the previous education of the student, these Schools fit their service to the individual need. Two per cent of those enrolled have had no school education whatever—5% have attended ungraded schools—58% have attended the grade schools—22% have attended high schools—5% have attended business colleges—8% have attended colleges or universities.

To most of them, the International Correspondence Schools, coming to them in their own homes, have been the one means by which they might prepare for success in the work of their choice.

Born of the desire of men to learn more about their work at their work—created in response to a vital need—these Scranton Schools fill a definite and increasingly important place in the field of education.

No single institution has rendered so great a service to so many people. That young miner of forty-two years ago has become a legion of students seeking and finding the answers that have meant efficiency in countless vocations. The flickering lamp at his elbow has become a light of knowledge burning in two million homes. And the seekers swell in number and the lights burn brighter as this "University of the Night" continues to grow in usefulness through the years.

INTERNATIONAL CORRESPONDENCE SCHOOLS

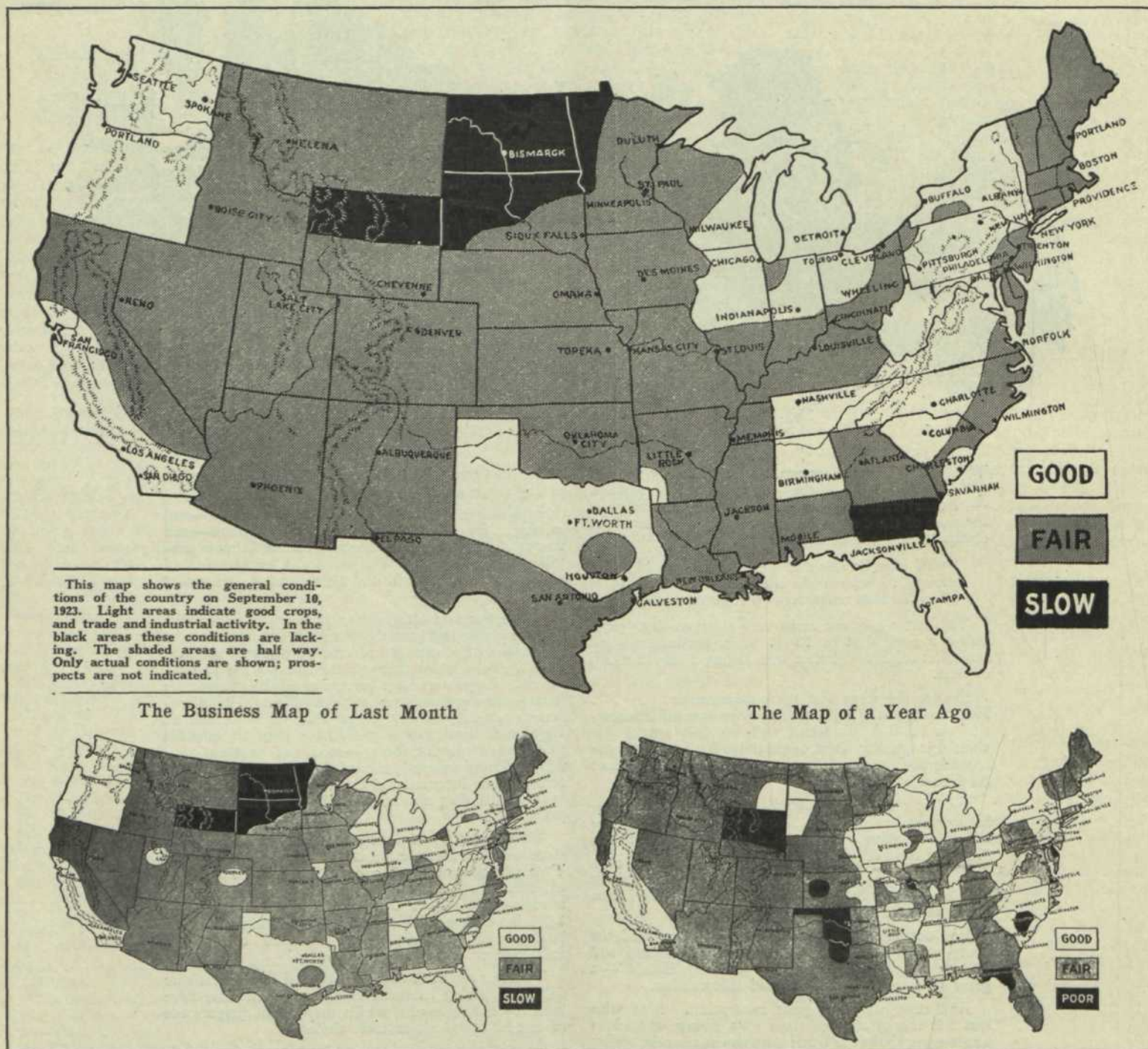
Scranton, Pennsylvania

Offices in leading cities of the United States and Canada, and throughout the world

The Map of the Nation's Business

By FRANK GREENE

Managing Editor, "Bradstreet's"



THE BUSINESS community, having passed through the valley of midsummer quiet, is now breasting the slopes of fall activities with a fair degree of confidence. So far as can be seen, the low ebb was reached in early August, coincident with and accentuated by the mourning period for our late President.

From the peak of last spring, to the bottom of the summer quiet—depression would be too strong a word—there was witnessed a quieting down of wholesale and retail trade, a gradual lessening of industrial activity, a very irregular set of crop conditions and only fair collections. At no time, however, did activities fall as low as those existing at corresponding periods last year. In fact nearly all

obtainable measures of movement point to gains of varying percentages being shown as compared with 1922.

The stirrings of fall buying may be said to have been first visible early in August, when reduced cotton crop estimates were a stimulant in the buying of cotton goods. Other lines of trade were rather slower to develop activity, and the period around Labor Day saw a widespread lessening of trade and industry, the disposition apparently being to make the most of the year's last vacations.

Today the volume of fall buying, rather smaller and later in developing than normal, is best at large primary markets and least aggressive in the old spring wheat northwest and in the southeast, where wheat and cotton

crop results respectively are below earlier expectations.

In this connection it might be well to note that the business world has undergone some rather severe tests quite recently. The strike of the anthracite coal miners, now settled, was a trade influence in parts of the east but affected coal and coke quotations and sentiment in a larger area. The Italian-Greek controversy was visible to us only through our foreign connections, mainly the exchange market. The distressing happenings in Japan, owing to the exceptionally strong condition of the money markets of the world, exercised even less effect than might have been expected. Indeed, the first direct effects were exercised mainly on the stock market, exchange quota-

THE MEASURE OF LINCOLN WORTH

That spontaneous enthusiasm with which even seasoned motorists tell of their first ride in a Lincoln is not the true measure of the worth of this splendid car.

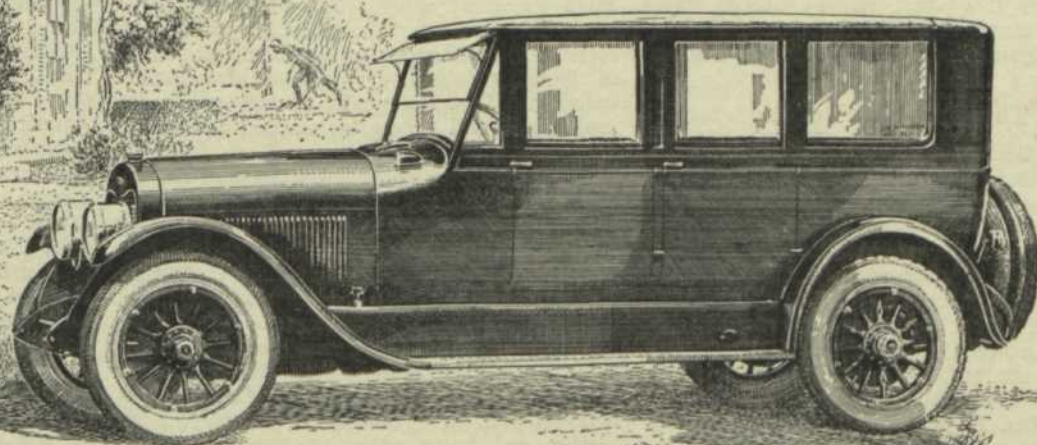
Rather that measure must be read years hence. Only as you learn through how many seasons and with what tireless persistence this car continues to perform in the brilliant manner that inspired your first delight is its true value revealed.

It is understood throughout this entire organization that the Lincoln must be built not only instantly to prove its worth but conclusively to confirm that proof anew year after year.

We have definitely pledged our every resource to increasing its ability to justify the enthusiasm your first experience with it aroused.

LINCOLN MOTOR COMPANY

DIVISION OF FORD MOTOR COMPANY, DETROIT, MICH.



The Seven Passenger Sedan

L I N C O L N



tions, Japanese securities for a few days and on the markets for raw and manufactured silk for a slightly longer period.

Except in the latter case, indeed, raw and manufactured silks were sharply advanced; the effects were largely transitory and confined to small limits. The further future may, no doubt will, reveal further effects not yet visible but naturally to be expected, where any vast quantity of invested capital is destroyed.

In viewing the fairly satisfactory experience of the business world during the past spring and summer and the failure of a good many early pessimistic predictions to be realized, it is perhaps well to recall that this pessimism had its use in that it tended to sober some of the oversanguine feelings of last spring, and to that extent may have been useful in averting excesses and later possible trouble.

In considering the outlook as to the future, a bird's-eye view of the recent past may not be out of order. The German reparation trouble and the continued French occupation of the Ruhr have continued to unsettle the international outlook, worried the exchange market, and, in conjunction with the foreign happenings noted above, resulted in many new low levels in the values of foreign currencies.

Free use of the printing press has contributed to an abysmal drop in German marks, the low level of early September being at about the rate of 50,000,000 marks to the dollar. Sterling exchange has been affected by the European political unsettlement, some reported selling of securities by British insurance companies in connection with the Japanese disaster, and also some rather liberal buying of our cotton, all of these causes resulting in the lowest level of the year reached early this month.

Our own stock market, as already intimated, has passed over foreign troubles rather lightly and tended to view domestic affairs favorably. In fact, stock dealings increased in August, and the low levels touched early in that month or late in July by stock averages, have been bettered by nearly \$3 in the case of the railways and \$6 a share in the case of industrials. At the bottom of the market for this year, railway stocks were about \$14 a share below the top of March, while industrial stocks were about \$18 a share lower.

The Trend of Prices

COINCIDENT with the strength of the securities market in August was a notable rise in commodity prices, the index numbers turning upward for the first time in five months. It is well to note that a good deal of this strength, most notably manifested in farm products, was due to the considerable shading off of our own, and also to some reduction in foreign crop estimates. The main-spring of the advance in cotton of 5 cents per pound is to be found in the reduction of more than 10 per cent in the government crop estimates. In the case of wheat, reductions in estimates of yield, first of winter wheat, next in spring wheat and later still in the Canadian crop with some toning down of European estimates, acted as supporting features to prices of that commodity. A slightly smaller crop movement to market is shown as compared with last year, but visible supplies have increased three times as fast as they did last year. The declines from July to September in wheat quotations were trifling. Most crop estimates, in fact, have been modified, but, except possibly in cotton, no concern is felt as to there not being enough to go around.

The fact is that American sentiment as re-

gards crop yields seems to have changed of recent years. Recognition is apparently had of the fact that bumper yields may become burdensome, and enough of any single crop or collection of crops is better than too much. Certainly the stock markets do not seem to be as unfavorably affected as in other years by fears of crop deficiencies affecting future railway earnings. The fact is, of course, that our eggs are not all in the agricultural basket as they were some years ago. Export figures throw light on this in showing that 44 per cent of our July exports were manufactured goods as against 37 per cent a year ago; our entire gain in the eight-months period this year was in manufactured goods in fact.

When trade quieted last spring, it was a matter of comment that industrial operations kept up at a high pace, this being true until well into the summer. In August distributive trade began to stir anew; it never really stopped, as proved by the gains consistently shown month by month in wholesale and retail lines. In August, too, industry in a few lines began to hit a faster pace.

An Increase in Failures

THE measures of movement for that month therefore present a rather irregular appearance. August automobile output exceeded that of July, though it did not reach the peaks of May or June. Building apparently reached its low point in July because preliminary reports for August likewise point to an increase in that month. Pig iron production in August fell off further from the peak of May, but steel output, while returning a smaller daily production, showed a larger aggregate in August than in July. Bank clearings sagged to the smallest total in eighteen months, but the entire decrease was chargeable to the New York City totals, the rest of the country continuing to show gains.

Failures increased slightly in August over July but were well below August a year ago. Liabilities increased, being swelled by a rather large number of important failures in trade and manufacturing and by rather numerous bank failures in western states where wheat crop returns were disappointing. There is some irregularity here, but the gains indicated in building and automobile production seem at this writing to be significant of a rally in industry following a period of summer quieting. That the peaks of last spring in most lines will be again reached is hardly expected.

An interesting side light on the question of the real proportions of forward buying hitherto reported backward may be had from recent records of car loadings. Fall buying in big primary lines, of course, was done early last spring, the goods then ordered reaching their purchasers through the summer. Final distribution—that is, the passing of the goods into the ultimate consumers' hands—rests with the next few months' operations. Car loadings this summer were unexpectedly heavy, new high records being set up at the end of each month from June to August, but it might be noted that the record-breaking total of the last full week of August was notably contributed to by the largest volume of merchandise and miscellaneous cars ever recorded.

As to how these goods, recently reaching the jobber or retailer, are to be disposed of and the things affecting ability to buy and the weather that may favor or retard buying, all must be soon decided. As to ability to buy, it might be said that employment during the past year has been active as never before, length of time reviewed considered. Wages generally have been high, in many cases at the peak. Exceptions to this are to be found

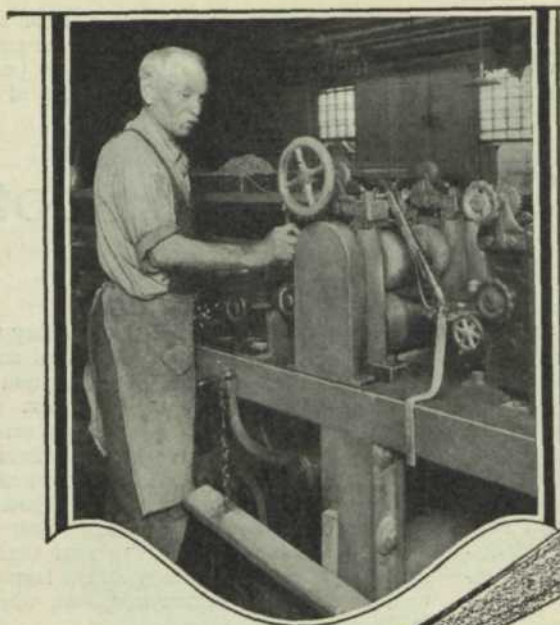
in the case of the farmer, whose products have undoubtedly sold lower relatively than have those in any other lines—they rose sharply in August—but the side-light afforded by mail-order purchases month by month through the year is a favorable one. These purchases in every month have been in excess of a year ago and, if lower present price levels are considered, were probably as large this year as in 1920.

As regards disposition to buy, it is probably a truism that given the means to buy, a disposition to do so should easily follow, unless some psychological influences not now immediately visible should intervene. On weather conditions in the next few months a good deal no doubt depends, but there seems on the whole a fairly adequate basis for expecting that the fall trade of 1923 will make a very fair comparison with the same period in earlier years.

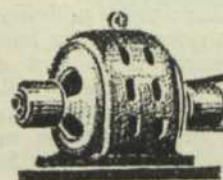
It is a commentary on the changed point of view entertained regarding American crops that, as noted above, the better tone and the higher prices shown in the markets for several products is directly traceable to crop damage. If it were foreign crops that were damaged this would be readily understandable, but the advance in cotton which started the cotton goods market up and the rally in wheat which firmed up the flour market had their inception in injury to domestic crops although aided in some degree by less exuberant estimates from Canada. The fact is that points of view regarding crops seem to be changing and opinion seems to favor good domestic yields as an unquestionable benefit, whereas large and burdensome crops are looked at askance. Even the railroad men who are supposed to look at crops mainly from the point of view of tonnage do not seem to be as greatly concerned as in other years at deficiencies in crop yield so long as total failure is avoided. It may be that the subsidence of foreign demands for our foods has been partly responsible for this as rendering a burdensome surplus something to be avoided. Some years ago collections of farmers who advocated deliberate reductions of acreage were denounced by other portions of the community, but this denunciation is not as popular today and most western opinion is that the wheat area this fall should be reduced. This is rather tardy recognition of the fact that for a great many years the American farmer has been raising surplus crops which have had to be sold at low prices with resulting bad effects on our own and foreign agriculturists and with little profit except to those engaged in handling the distribution of these crops. The French are said to handle this matter better than we do, the aim in that country apparently being to raise crops, particularly of wheat, proportioned to domestic needs.

The Shrinking Food Exports

SINCE the countries of Europe have gotten back to raising their own food supplies, this country's export trade in raw foodstuffs has shrunk greatly, our wheat export trade being a notable case in point. Hence some of the classifications of leading exports of a few years ago have gone into the discard. A few years ago the exports of breadstuffs, cotton and meat and dairy products gave a very reliable index to our country's export trade, but today the returns of exports of manufactured goods are far more reliable indicia. In July 61 per cent of the total exports of \$296,551,000 of domestic products were of wholly or partly manufactured products, only 19 per cent were of foodstuffs, and only 20 per cent were raw materials. For the



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The Boston Belting Sales Company is at your command. If your problem has to do with mechanical rubber goods write the nearer office—today!

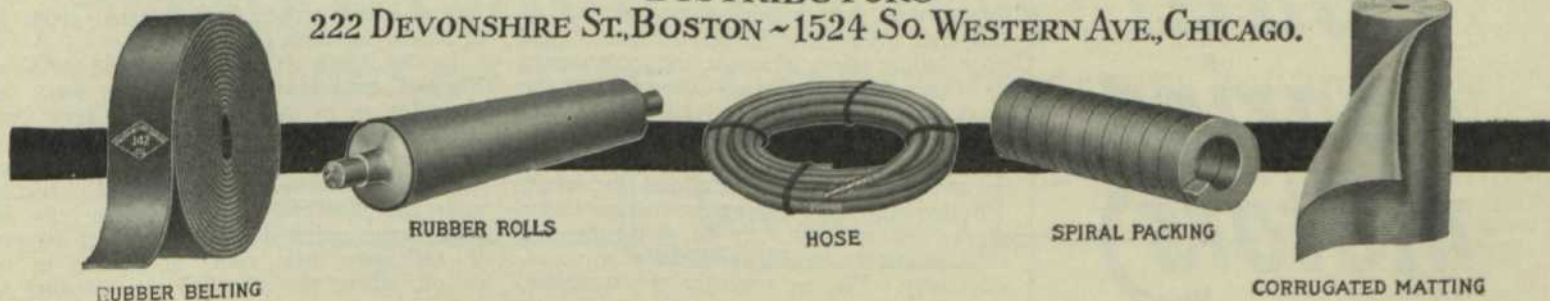
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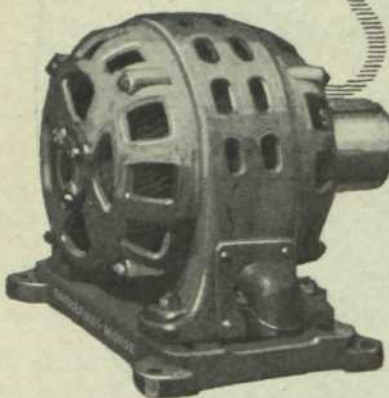
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seven months ending with July total domestic exports aggregated \$2,202,987,000. Of this amount 40 per cent was of manufactures ready for consumption and 15 per cent was manufactures intended for further use in man-

ufacturing, a total of 55 per cent of all our exports therefore being of wholly or partially manufactured goods, as against 23 per cent of raw materials and 22 per cent of food-stuffs.

Farming's Good and Bad Spots

By ARCHER WALL DOUGLAS

EVERYWHERE throughout the agricultural regions the story of conditions is not only that of the nature and volume of the crops but likewise of the prices they bring. You get direct exemplification of the extreme local nature of the proposition in the Great Plains states, Kansas, Oklahoma and Nebraska, where the eastern portions are better off in agricultural ways and means than are the western sections—all because of differences in weather which are reflected in corresponding differences in agricultural production.

So the "poor" spots are in the western localities, and this is also true in large measure of the two Dakotas and Minnesota. The total wheat crop of the country will not exceed about 785,000,000 bushels and does not grade so well as a year ago. At this writing it is being sold by the farmer at less than the cost of production, and the only consolation he gets comes from those at long distance from the scene of action, who tell him what a small proportion of the total farm production is represented by wheat—which cheers him up much as Job received surcease of sorrow from his three visitors, although he found himself unable to fill his belly with the east wind.

Meanwhile there remains the stubborn fact in that stretch of country I have spoken of that the nature and volume of business depends principally upon the production and price of wheat, for in the western stretches of the Great Plains states there is not now, nor will there ever be, that diversification of crops and of farm activities that grows steadily in the sections further east, for a sometime sinister and hostile climate sets a limitation in that respect.

It is some cheer, however, that substantial progress within these limits has already been made, for the stories which tell why there are splashes of "poor" in such regions also tell of more dairy cows, more poultry business, more truck gardens on farms, and more minor crops such as climatic and soil conditions permit. One difficulty in some sections is that the farmers have not yet gotten free of the debts incurred in two and three seasons of successive bad crops, and they have practically no purchasing power left save for the barest necessities.

The Basis of Discontent

THE general sentiment in such localities is that naturally inspired by the conditions. There is a deep-rooted feeling that there is something wrong in the economic frame of things when farm products continue out of gear with those of manufactured fabrics, and when falling prices of wheat are accompanied by stories from the great centers of higher wages in industrial life and still further advances in manufactured material. It is the injustice and disproportion of the matter that lies at the root of such agricultural discontent.

Business in these regions for the remainder of the fall will naturally be along the line of conservative buying, and that for necessities only. Yet, as a matter of experience,

the results are usually better than they promise, probably because of unsuspected and unknown sources of revenue which add their mite to the general purchasing power.

Matters get better as you go eastward through the surplus corn states, where crop yields are generously and evenly distributed. Some of these commonwealths, Illinois and Missouri for instance, have good wheat crops, probably on the basis of "to him that hath shall be given." Practically all the farm products are in good measure and, save wheat, at fairly good prices.

Corn will be a large yield, probably larger than last year, provided an early September frost does not destroy much now growing that has not matured. There will be a smaller corn crop in the southern states than for several years, because all the available acreage went to cotton last spring. So western corn will find a larger home market than usual, which probably accounts for the present strong price, higher proportionately than wheat. Hogs are up in price, which helps sentiment a good deal and also business. The puzzle is as to the number of hogs in the country today, and concerning this there are all manner of guesses, and all widely differing.

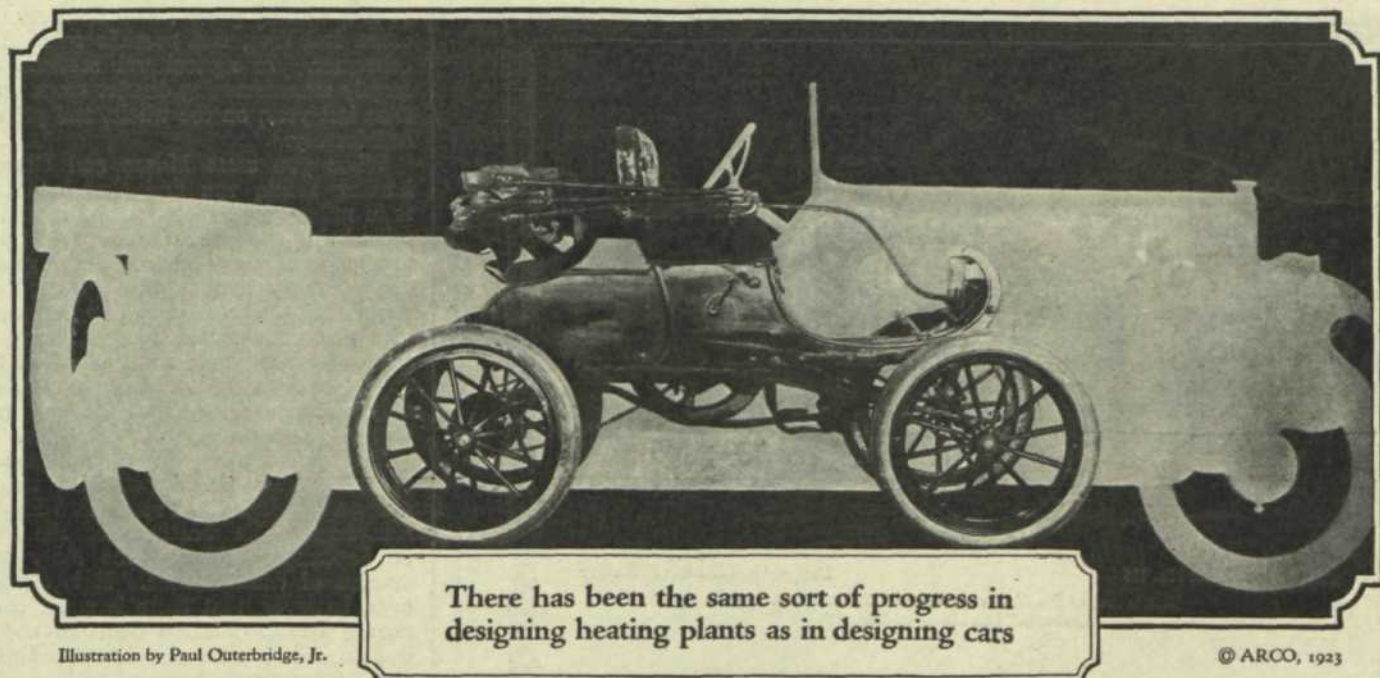
The Versatile Central West

THEN, too, the Central West has more strings to its bow in the form of all manner of industries than any other section of the Union. One of these activities, bituminous coal mining, is comparatively well employed so far as mere figures of output go. Yet it is spread over so great a stretch of country and has such potentiality of production that many of the mines are shut down, and most of them are running only half time.

Manufacturing in the Central West, as in all the rest of the country, feels the slackening of demand and has awakened from its dreams of last spring as to high prices and heavy demand being a continuous performance through the remainder of the year. Yet even where conditions are mostly either "fair" or "good," with only an occasional splash of "poor," there prevails in kind, though not in degree, that same conservatism and caution that characterizes the people out in the Plains.

Things are going well in a sober, steady fashion; and the average man has no desire to hasten the pace, especially when he realizes that the fundamental problem, that of a genuine readjustment, has only been touched. To repeat the follies of last spring in the way of higher prices for fabricated goods is to insure the same result.

In the North Atlantic states and in New England conditions are much the same in character as in the Middle West save that the atmosphere is that rather of industrialism than agriculture, and the problem of the farmer is not so vivid nor important. Textile mills and shoe factories are not so busy as they were, and it is difficult to get buyers to anticipate their wants in fabrics, as in cotton, where the price of raw material is



You probably bought your heating plant about the time you bought this car

THE OLD CAR may still be sturdy, *but* it burns a gallon of gas a mile! You discarded it long ago for a modern, efficient model.

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Send for these booklets:

"*The Story of Brick*" is an attractive booklet with beautiful illustrations of modern homes, and discusses such matters as Comparative Costs, Basic Requirements in Building, The Extravagance of Cheapness, Financing the Building of a Home, and kindred subjects. A copy will be sent free to any prospective home-builder.

"*Face Brick Bungalow and Small House Plans*" embrace 96 designs of Face Brick bungalows and small houses. These houses are unusual and distinctive in design, economical to build, and convenient in floor plan. "Face Brick Bungalow and Small House Plans" are issued in four booklets, showing 3 to 4-room houses, 5-room houses, 6-room houses, and 7 to 8-room houses. The entire set for one dollar; any one of the books, twenty-five cents. We can supply

complete working drawings, specifications and masonry quantity estimates at nominal prices.

"*The Home of Beauty*" contains fifty designs of Face Brick houses, mostly two stories, representing a wide variety of architectural styles and interior arrangements. These houses were selected from 350 designs submitted in a nation-wide Architectural Competition. Sent for 50 cents. We also distribute complete working drawings, specifications and quantity estimates for these houses at nominal cost.

"*The Home Fires*" is a new book containing twenty attractive original fireplace designs, for which complete plans may be purchased for one dollar, and twenty-five pictures of fireplaces designed by well-known architects. Also an article on fireplace construction. Sent for 25 cents.

strong and high and promises to continue so. It is a waiting game which finds its ultimate cause and root, and possible solution in the consumer. In agricultural sections of this largely manufacturing district crops are better than last year, on the whole, and prices more satisfactory.

When you cross Mason and Dixon's line heading south, you find that industrial life is in rather good shape, furniture and cotton mills being good illustrations; and that farm products, especially tobacco, are in good yields and at fairly remunerative prices; but that recent rains, accompanied by increasing insect destruction, boll weevils, army worms and leaf worms, have wrought sad destruction on the cotton crop that in some sections, notably western North Carolina and northern Georgia, gave promise of fine yields.

The same trouble, due to the same causes, extends across the Appalachian range into western Oklahoma and south into Florida and Louisiana. The weather for the last half of September will tell the story and the amount of damage done. It is already evident, however, that there is small chance of raising a crop of more than ten and a half million bales, with the likelihood that the final figures may not exceed ten and a quarter million bales. In the northern section of the cotton belt there is also a possibility of the plant, which is three weeks late, being caught by an early frost. Portions of Alabama, Mississippi, Louisiana, Arkansas and Oklahoma seem the hardest hit by the recent sudden change in the situation, and localities and sections that looked "very good" have suddenly taken on the sombre of "poor." There are always some crumbs of comfort in the likelihood that higher prices of cotton, consequent upon reduced production, will do much to even up the situation. Certain it is that wherever cotton is grown this season, there will good business also be.

The Outlook for Cotton

TEXAS seems peculiarly favored of all the southern states in that it will have a generally well distributed yield over the state save in East Texas, where a prolonged drought burnt up much of the crop. It now seems likely that the Lone Star state will produce about 3,500,000 bales out of the total for the entire country. Fortunately for the South it has a host of other things—lumber, which is very active, sugar in Louisiana, also rice in both Louisiana and Arkansas, coal, iron, dairy, poultry, livestock and many minor farm crops—to make up for the loss in cotton.

One of the important industries, crude oil, is engaged in a slump in prices which has not yet been stayed and which came about in the usual way of too great production.

In the mountain and desert states from Arizona and New Mexico north to the Canadian border matters are distinctly better, in the main, than a year ago, although "poor" spots still persist. Crops are fairly good and prices better save in wheat. Mining is not so well employed as sixty days ago, and prices of ore have fallen somewhat, but it is doing fairly well despite these handicaps. Cattle are rather too low in price for any profit, but the cattle men and misfortune have been long acquainted, and they still hope for something to turn up and for the bankers to stay off. Sheep and wool are, however, a good proposition, especially wool, of which the clip is large.

Conditions are generally good on the Pacific Slope in all industries, and their name is legion. Also, they are mostly hand-made, not being indigenous to the soil, and have

been created by infinite pains and toil and with equal intelligence and ingenuity.

In the San Joaquin valley, however, one of the most remarkable of these many industries, that of raisins, is seeking to solve the problem of how to prevent every one from overcrowding a successful venture.

In general, the era of building and construction seems waning in its activities, even in the great cities where it mostly prevails. There will be but little building in the country this fall, for the farmers have no money to invest in such enterprises under the present high prices of labor and material.

In all sections there is much caution and conservatism in making purchases of any nature, for the general feeling that the advances of last spring were mostly without warrant has been fully justified by subsequent events. As usual, common sense and experience were better guides than long-distance graphs and charts. Such pessimism as exists is mostly confined to those sections where crops were poor and unremunerative, and the feeling in agricultural communities goes up and down with the prices of farm commodities. This was definitely illustrated in the Corn Belt quite recently in the drop in hog prices followed by their subsequent rise.

Business sentiment as to the immediate future is colored entirely by local conditions, but very largely inclines to a fair volume of trade on a healthy, natural basis.

A Basis of Buying Power

CALCULATIONS to determine the retail expenditures of the nation and its component communities have been made from time to time with varying degrees of application of usefulness. Most recent, perhaps, of measures to indicate the annual volume of business in any community is the compilation presented in a bulletin prepared by the Domestic Distribution Department of the Chamber of Commerce of the United States, based on a field study made by the Federal Department of Labor.

The Department of Labor's study was made to determine the cost of living for the year 1918 from information obtained from families of wage earners in representative industrial cities throughout the United States.

Outstanding among the conclusions to be drawn from the compilation of the Chamber is that the average retail expenditure per person included in the population of the United States during the year 1922 was \$217.77, exclusive of the items of rent and miscellaneous services which do not enter into retail trade. Using the amount \$217 as a base, it is apparent that the expenditures for each 1,000 persons would be \$217,000. Using the expenditures per 1,000 of population it is possible to determine the expenditures of any community—thus, the expenditure for the total population, assuming it at 110,000,000, would be \$23,870,000,000; for a community, say, of 6,000 persons, \$1,302,000, and so on. This method is suggested as a dependable measure of community expenditure only so far as an approximation may be valuable.

The method by which the Chamber arrived at the volume of retail business in any community is explained in the following paragraphs:

By ascertaining the expenditures of 12,000 white families of wage-earners included in the population of 92 industrial cities in the year 1918, the Department of Labor arrived at the cost of living for that year, and determined totals for all families by groups of expenditures.

By taking the money values of the 1918

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We have designed and built industrial power stations of all types and sizes for a wide variety of industries. We work with you and for you, combining our broad general experience with your specific experience so as to insure the success of your own ideas.

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budget and applying the changes in the cost of living reported regularly by the Department of Labor, it was discovered that the budget for 1922 differed from that of 1918. The difference is explained by the effect of new factors, such as for example, prohibition and the increased use of automobiles. The items in the family budgets for the years 1918 and 1922 are shown in the following tabulation:

FAMILY BUDGETS

Items	1918		1922	
	Per cent	Amount	Per cent	Amount
Food	38.2	\$548.50	30.8	\$463.61
Clothing	16.6	237.60	15.4	231.40
Furniture	5.1	73.22	5.5	82.45
Fuel and light.	5.3	76.15	6.7	100.78
Miscellaneous commodities.	6.0	85.70	6.7	101.72
Miscellaneous services	15.4	220.40	15.4	232.87
Rent	13.4	191.37	19.5	293.82
Totals	100.0	\$1,432.94	100.0	\$1,506.65

It should be remembered, the bulletin points out, that standards of living are not considered in the problem because it is impossible to arrive at any standards from the figures in these family budgets, which should be regarded chiefly as representative of price changes. Furthermore, the items of rent and miscellaneous services should be excluded from a consideration of this nature by reason of the fact that they do not enter into wholesale or retail trade. Therefore, from the total amount of the family budget for the year 1922, the amounts for the items of rent and miscellaneous services should be subtracted, leaving a remainder of \$979.96. Dividing that amount by 4.5, the average number of persons in families in the East South Central States, for example, the amount of \$217.77 is obtained as the average expenditure per person for the year 1922. Although 4.5 is the figure used in this example, it is necessary to explain that it applies only to the East South Central States. Other regions of the country differ slightly in the average number of persons to the family, as follows:

Section	Average number of persons per family
New England.....	4.3
Middle Atlantic.....	4.4
East North Central.....	4.2
West North Central.....	4.2
South Atlantic.....	4.7
East South Central.....	4.5
West South Central.....	4.6
Mountain.....	4.2
Pacific.....	3.9

To apply the measure of community expenditure, it is only necessary to multiply the amounts assigned to the commodities or services, which are included in the family budget, by the number of families. Suppose, by way of example, that a city of 50,000 be considered, and that it is in the East South Central States, for which the Bureau of the Census has determined the average number of persons per family at 4.5. On that average the number of families in the community would be 11,111.

Using the figures from the family budget of 1922, as presented in a preceding tabulation and multiplying the amounts opposite each item by the number of families in the community, in this case 11,111, the retail expenditures of the community are readily determined by addition of the products. Allowing a spread of 25 per cent for mark-up from the wholesale prices, the amount of the community's expenditure at wholesale is also easily ascertained. The following table, reprinted from the bulletin, presents the results de-

veloped in the calculation for a community of 50,000 persons:

Commodity or service	Per cent of total expenditure	Each family	Total for city
Food	30.8	\$463.61	\$5,151,170.71
Clothing	15.4	231.40	2,571,085.40
Furniture	5.5	82.45	916,101.95
Fuel and light..	6.7	100.78	1,119,766.58
Miscellaneous commodities .	6.7	101.72	1,130,210.92
Misc. services...	15.4	232.87
Rent	19.5	293.82
Total	100.0	\$1,506.65

Annual retail business..... \$10,888,335.56
Average retail spread..... 2,722,083.89

Annual wholesale business..... \$8,166,251.67

British Abolish Bond Certification

THE International Chamber of Commerce has announced from its Paris office that the clearing office of the British Government, which deals with enemy debts, has abolished its requirement of declarations formerly accompanying matured coupons and bonds, the declarations having had for their purpose the certification of the fact that the coupons or bonds were at no time the property of an enemy subject.

The new ruling of the clearing office became effective on August 1, and was made in accordance with a resolution adopted by the International Chamber at the Rome congress, and subsequent action by the British and Dutch national committees. The ruling does not conflict with the legal right guaranteed to the Allies by paragraph 4 of the Annex to Section IV of the treaty of Versailles, explains the controller of enemy debts.

The resolution referred to in the action of the British Government is No. II, Affidavits for the Cashing of Certain Coupons and Bonds, and reads as follows:

The International Chamber of Commerce, having adopted as a principle the usefulness of abolishing as soon as possible all obstacles in the way of commercial development, is of opinion that the affidavits which are required at the actual moment to cash coupons and matured bonds, certifying that such coupons and bonds have not belonged to citizens of an ex-belligerent country with the country wherein the payment takes place, should be removed as they are a formality which has become useless and necessitates loss of time and labor.

Talking to Just Folks

By ARCHER WALL DOUGLAS

IT WAS THE zero hour when I felt a tug at my blanket and the cheerful voice of the Pullman porter whispered, "Git up, Boss; only thirty minutes to Mason City!" and I wondered how anybody could be so chipper at four o'clock in the morning.

I was still in this frame of mind when a polite chauffeur at the station greeted me, and after taking me to the hotel bade me good-night, refusing both fare and tip.

The courteous hotel clerk, the neat, tidy room assigned me were further little touches of Mason City hospitality, but there was one more to come. Upon the dresser was a note from the Committee on Entertainment expressing their cordial appreciation of my visit, saying that, realizing the late hour of my arrival, they would not disturb me in the morning, but when I cared to see them would I please call up the chairman over the phone.

I knew the committee well at our first greetings, and told them that I wanted to be



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"Practical" is the way to describe this file. Generations of filing clerks, system experts and file manufacturers have brought forth many innovations—some of which have died because they were *not* worth while; others have proved valuable and lived. In building this file Van Dorn has tried to be "conservative-progressive," incorporating everything of genuine merit and eliminating everything of doubtful worth. It will pay you to make a note now to see the new, improved Van Dorn line which we believe you will say offers the greatest possible value at a very reasonable price.

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Co-ordination in present-day business

THE capitalization of new corporations formed in the United States in 1922 was *more than two billion dollars*. Production and distribution in the last five years have grown at an amazing rate. Naturally, keener competition has been developed.

The service of business houses has been adapted to these new conditions. Facilities hitherto isolated are being grouped into co-ordinated units to meet new demands directly and promptly. Business efficiency is being sharpened all along the line.

Financial institutions also have found it necessary to group their facilities to meet the present scale of service demand. Modern banks and trust companies, if they are to express the business spirit of the times, must be ready to supply *complete service* without loss of time and without a break in the range of financial facilities upon which business depends.

The ideal type of banking service is found in the institution which combines *all* the facilities of the modern bank and trust company in one efficient organization.

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turned loose and allowed to see their city after my own fashion.

So, going by dead reckoning, I walked Mason City over and saw what you see in every Iowa city—fine schools, beautiful homes, well-paved streets, a public library, a commodious and well-ordered hospital, handsome banks and stores, stately churches. When I finally landed at the headquarters of the Commercial Club, I knew the kind of people I would meet that night.

Then I wanted to interview a real "dirt farmer," one of whom I could ask embarrassing questions. The secretary said they always had farmers on tap, that there was one then in the building visiting a large land-owner of the town, and that he could tell me some things I needed to know. He was as good as his word, bringing a farmer who was a graduate of the State Agricultural College at Ames and a type of the intelligent agriculturists who are at the foundation of Iowa's wealth and intelligence.

Then it was time for lunch with the committee, and they were an interesting, educated lot, much traveled, much read, most friendly, most democratic.

They were types of the many that I meet in these commercial clubs—men of business, professional men, farmers, all sorts and conditions of men. They vary as does all humanity. But in the main they impress you by a certain steadiness of purpose and conviction, with a sense of standing for things that are worth while, and with a native patriotism that commences with their own modest surroundings and then extends to the state and the nation.

Wholesomeness the Keynote

THEIR most striking feature is a wholesomeness that gives you fresh courage and hope for the country when so many men and so many institutions are dragging their anchors. There were many more like these men that night at the dinner which always precedes the speaking. I met a federal judge, several clergymen, a bunch of doctors, a sprinkling of school teachers, and business men of every line of commerce. The governor of the state was there, and there were many women, for they are always present at such meetings. They took part in everything, especially the singing, which came between the courses.

The governor and I were the subjects of specially prepared songs reciting our virtues and qualifications. They were on to the governor and had him sized up in complimentary verse, but I was an unknown quantity and so they drew on their imagination. It quite thrilled me to get acquainted with my new-found self. The song of songs was that of the state:

I'm the man from Ioway, Ioway,
That's where the tall corn grows.

Running through the entire evening was a common bond of interest and of community accomplishment, without which the tenor of the life in a little city or town is mere stagnant ineptitude. There was much humor and genuine fun, for many of the men were graduates of either the State Agricultural College or the University of Iowa, and had that unfailing sense of youth and joyousness which the true college man carries through life.

The last glimpse I had of Mason City was of the red-headed secretary waving me farewell from the platform station and threatening to have me back some day.

I met a friend of his, another commercial secretary, in Hutchinson, Kansas, where I spoke before the Commercial Club of the

city. We were breakfasting in one of those Mission Inns which the Santa Fe has along its California trail. He was telling me the story of the commercial secretary and how much is expected of him. If he does not make good after a short trial, he is apt to seek new fields—so the turnover of his tribe is very great every year.

The best of them succeed by getting a united organization behind them. Then it is easy to move mountains, get factories located in the town, and do all manner of impossible things. Then, too, there are towns that have nothing to sell save rural scenery.

I gleaned that my friend was a successful soul, for his club stood second in the country's column with a batting average of over 10 per cent of the city's population in its ranks.

"Those members of yours," I asked, "what manner of mental pabulum most appeals to them in the beaten way of business?"

"They are Kansans; you know them."

It was true. I knew that breed. You can talk to them on any subject from how to milk a cow to an interpretation of the Nebular Hypothesis and get away with it, with the proviso that you know whereof you speak—not from books and hearsay, but from actual experience and observation—and that you speak simply and plainly.

It was a luncheon proposition, and some were turned away because the hall was too small for the crowded roster of the club membership. There were farmers, some thirty in one group, and also a microcosm of the city's interests, its pleasures, its ambitions and desires. One soon comes to sense his audiences and to feel at home with them, or else ill at ease and wishing to be back home again and attending to one's regular business. They were much like Iowa folks, only vastly different in a sense that you perceived far better than you could define.

An Alert Audience

THEY were accustomed to speakers from all parts of the country, from those to whom it is a profession to those to whom it is a mere incidental divertimento. Such audiences usually take the measure of a speaker in the first five minutes, principally along the lines as to whether he is talking for effect or because it is his job, or whether he is speaking out of his heart and has something to say.

It was interesting to see them follow me as I gradually drew away from conditions in their own immediate trade territory into those of their state and the nation. It was easy to tell of their interest in the subject and just how far you could go.

Then I foregathered with the secretary and heard the moving story of the local commercial clubs of the country. The first job of the secretary is to furnish the cause and incentive for action; and if success is to be had, there must further be added the whole-hearted support of the club. Very definite results often follow such a combination; such, for example, as extending the commercial influence of the city far beyond the supposed trade limits of the town.

Widespread advertising of the advantages of the city as a place to trade with, better means of transportation, the inducements of the locality as a site for manufacturing—all these things and many more bring new life and business expansion to the place which employs such methods wisely and effectively through its commercial club.

Of late years the energies of commercial clubs have also extended their scope to the improving and beautifying of their own city as the best possible advertisement of its advantages as a livable place. So nowadays



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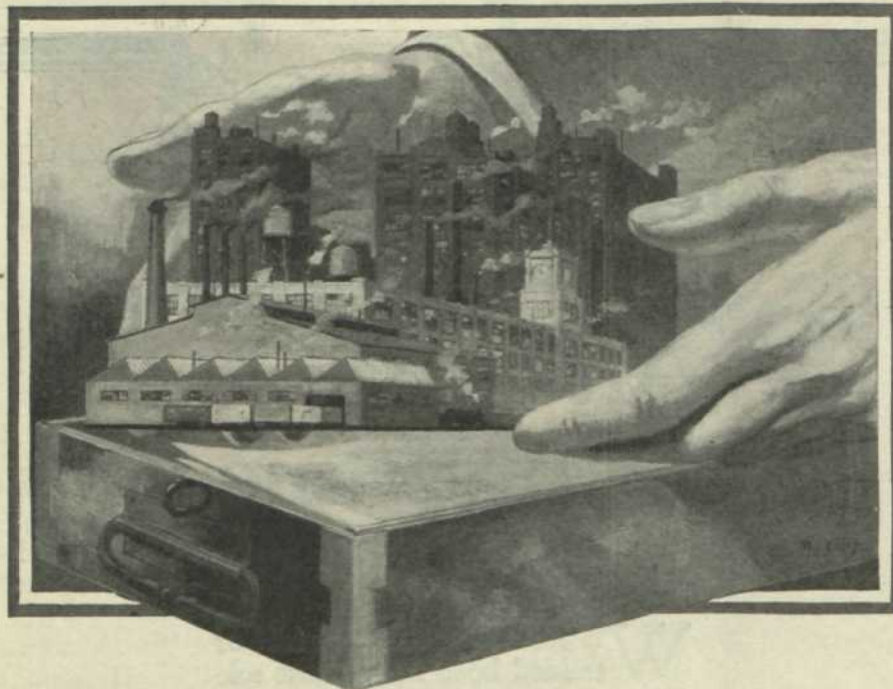
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the club either originates or gets behind such movements as city parks, fine railroad stations, paving and lighting the city, building a public hospital or a coliseum where entertainments may be had.

My secretary friend was greatly interested in this phase of the situation as typifying the wholesome feeling that more and more pervades the small city and town—that of being contented with its lot wherever cast, but only with the reservation that it do what lies within it to improve and dignify that lot.

I was listening to all these disclosures, but time was drawing near for my departure, and I so intimated. "Don't bother," said my friend. "We have arranged to have the Santa Fe-California Limited pick you up at four o'clock so that you can make connections in Kansas City which will land you in St. Louis tomorrow."

"Stop Number Four, the Santa Fe Limited!" I gasped. "That doesn't stop for passengers anywhere between La Junta and Kansas City. Why, it can't be done!"

"Nothing is impossible with God and our Commercial Club," he said smilingly.

As the giant engine with its great train of Pullmans slowed up at the station I was welcomed aboard, shown a lower berth reserved for me, and told that a genuine Harvey table d'hôte dinner awaited me in the diner ahead. I realized then the new-born dignity that attended the man for whom Number Four was stopped. Only it was the Commercial Club, and not I, that had the drag.

They Wanted Facts

SOME weeks later I received an invitation to speak before the Cleveland Advertising Club. Originally they heard of me through THE NATION'S BUSINESS and asked me to address them, which was a risky thing, seeing that writing and speaking have no necessary connection. It was a luncheon affair, when everyone present was limited as to time and when the speaker's problem is to know what they want to hear and say it in the fewest words. For it is always good policy to leave something unsaid and to be inferred and to stop before your allotted time is up.

Now what came they out for to hear? Not about their own business nor yet about mine. About some details, about many general condition matters. About their own country; how it was headed, what its people were thinking about as well as doing, what their attitude was to this great subject and that one.

They wanted facts, and some interpretation of them. They did not seem to hanker after prophecy, and I had none to offer. They wanted to know, too, which way the world was headed. They had more than passing interest in the crucial trial our civilization is passing through. Many of them gathered around me after my talk was over; and their questions were still of world affairs, of which they evidently had been thinking in the still watches of the night. Nor were they different in this from the members of commercial organizations in towns that numbered their people by hundreds, and in great cities where they are reckoned in countless thousands.

One real error in speaking to these organizations consists in not appreciating their intelligence and their thoughtfulness, and in not realizing their widespread interest in and understanding of the great problems of the day. And this latter fact is one of the greatest sources of the inspiration that I get from contact with the audiences who are the subject of this story.

Government Aids to Business

A plan for the establishment of theft prevention bureaus at the principal American ports is sponsored by the Transportation Division of the Department of Commerce. Losses from theft and pilferage are increasing and impose a

heavy tax on American export trade in the belief of Julius Klein, director of the Bureau of Foreign and Domestic Commerce. Skilled thieves are able to remove goods from packing cases without leaving any trace of robbery, it is said, and the losses are not discovered until the cases arrive at their destination.

Although separate investigations of thefts have been made by marine insurance companies, steamship owners, and railway companies, there has been no complete coordination of measures to suppress the pilferage evil. A concerted effort on the part of all the interests affected would make available the information collected in separate investigations, which could then be exchanged between ports.

The Transportation Division made a special six months' study of the best methods of export packing as practised in important industrial centers in the United States. Proper packing will do much to prevent theft and pilferage, the Division's experts believe, but it does not entirely solve the problem.

Import and export figures will be reported simultaneously, announces the Department of

Faster Statistical Service

Commerce. A readjustment of the statistical work of the Bureau of Foreign and Domestic Commerce was required by the revised classifications of imports and exports under the new tariff act, and the transfer of complete control of compilation of foreign trade figures from the Treasury Department to the Bureau of Foreign and Domestic Commerce. The Bureau announces that

preliminary total values will be available about the 13th of the month following that to which the figures relate. Figures by articles and countries will be completed about the 20th and photostat copies will be obtainable on that date by trade paper correspondents and others interested in statistics for special trades. Copy for the published tables will be in the hands of the printer on the 25th. The analysis of imports and exports by great groups will be released to the press about the 28th. Total values by grand divisions and countries will be ready about the end of the month. By special arrangement with the Government Printer it is hoped to have Part I of the Monthly Summary—Imports and Exports by Articles and Countries—in print and available for distribution a few days after the close of the month covered.

To ascertain how to make lime set quickly, the Bureau of Standards has experimented with various compositions of lime. The experiments have shown the best composition to be 1 volume of wood fiber, 5 of quicklime, and 10 of hydrate; and that the best curing condition is found in exposure to the weather.

A partition-tile block made of the indicated composition set so that it could be removed from the mold in 10 minutes, could be han-



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to consult with business men.*



THE BANK OF AMERICA

ESTABLISHED 1812

44 Wall Street, New York

dled in 20 minutes, could be sawed and nailed, and had a compressive strength of 100 pounds at 7 days, the bureau asserts. The block was about 20 per cent heavier than gypsum tile of the same size. Further experiments are to determine whether the core volume can be increased without seriously impairing the structural strength of the block.

An introduction to the subject of line radio communication is now available in a publication prepared under the direction of the Chief Signal Officer of the Army with the cooperation of the Bureau of Standards. An explanation

is given of how messages are carried to distant places by radio frequency currents directed over ordinary telephone lines or power wires. The fundamental principles of radio and its relation to line radio telegraphy and telephony are also discussed.

This publication, Signal Corps Radio Communication Pamphlet No. 41, entitled "Introduction to Line Radio Communication," may be obtained from the Superintendent of Documents, Government Printing Office, Washington, D. C., at 10 cents a copy.

A coating of aluminum paint applied either to the outside or to the inside of tops of automobiles, ice wagons, and the like reduces by 50 to 60 per cent the intensity of the heat radiated from the inside of the tops to the interior of the vehicles, according to tests made by the Bureau of Standards. Tops painted with a black composition may absorb as much as 90 per cent of the sun's rays, says the bureau, and virtually half the heat is radiated from the under side of the cloth.

To Reduce Heat in Autos

Specifications for quicklime used in causticizing are presented in Circular 143 of the Bureau of Standards. The content of calcium oxide available for the causticizing process determines the purity of the lime, rather than the total content of calcium oxide, the bureau explains.

Specifications for Quicklime Available

The circular of specifications is available from the Superintendent of Documents, Government Printing Office, Washington, D. C., at 5 cents a copy.

The question of utilizing ozone for purifying air in the ventilation of buildings, and also the air of refrigerating plants, has invited the active interest of heating and ventilating engineers. Some engineers see great possibilities in the use of ozone for purifying air in public buildings, and for removing odors and destroying bacteria. Its use has also been suggested for the bleaching and the sterilizing of textiles.

Use of Ozone for Ventilation and Industry

A method of determining oxides of nitrogen produced by ozone apparatus has been developed by the Bureau of Mines. Application of the Bureau's method showed that oxides of nitrogen were not produced in harmful quantities in ventilation apparatus.

The Bureau of Mines is now cooperating with the Society of Heating and Ventilating Engineers in four important problems: Methods for quantitative determination of ozone and oxides of nitrogen in ozonized air; amount of concentration that will produce the de-

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sired results, and the limiting quantities permissible to breathe without harmful effects; tests of ventilation systems using ozonized air; use of ozone in connection with the recirculation of air in buildings.

A study of systems of street lighting used in cities and towns throughout the country is in progress by the Bureau of Standards. The study is now well under way, the bureau reports, and is receiving the cooperation of municipalities and operating companies.

Lighting Practice of Cities

Engineering practice and contract requirements have been made available to the bureau through several hundred replies to questionnaires. Thirty of the larger operating companies have provided engineering data which will be used as a basis for the preparation of a survey on the best practice. That survey will be included as a part of the bureau's proposed comprehensive report on street-lighting service in American cities.

Recommended specifications for limestone and quicklime for use in the manufacture of sulphite pulp are included in a circular issued by the Bureau of Standards. The circular presents specifications for high-calcium and high-magnesium limestone and quicklime on the basis of about 95 per cent purity.

Standards for Materials in Paper Making

The publication containing the specifications, Bureau of Standards Circular 144, may be purchased from the Superintendent of Documents, Government Printing Office, Washington, D. C., at 5 cents a copy.

Esthetic considerations in the painting of radiators should not hamper their heating efficiency, the Bureau of Standards believes. Usually the radiators used for heating buildings are painted with aluminum or bronze paint. That

Paint Rules Heat Emission of Radiators

sort of paint is among the most inefficient that could be applied, maintains the bureau, from the viewpoint of obtaining the maximum of heat from a radiator of given size.

Tests at the bureau on the emissivity of sheet iron covered with white paint, enamel and aluminum paint disclosed that the aluminum paint emitted only 27 to 30 per cent as much heat as a non-metallic paint or enamel. The bureau believes that in the interest of efficient service the public should become accustomed to the use of non-metallic paints, such as the oxides of iron, chromium and white paint, for metal radiators.

A safety code for logging and sawmill operations is virtually completed and ready for publication, announces the Bureau of Standards. The code applies to the felling of timber, its transportation to the mill, its manufacture

Safety Code for Lumber Industry

into rough dimension lumber, and the operation of dry kilns.

The bureau sees a wide acceptance of the code as a standard of practice in the logging industry, with the great lumber producing regions particularly interested. For several years the bureau has had a directing part in the preparation of the code. In that work it has had the cooperation of a committee representative of the industry.

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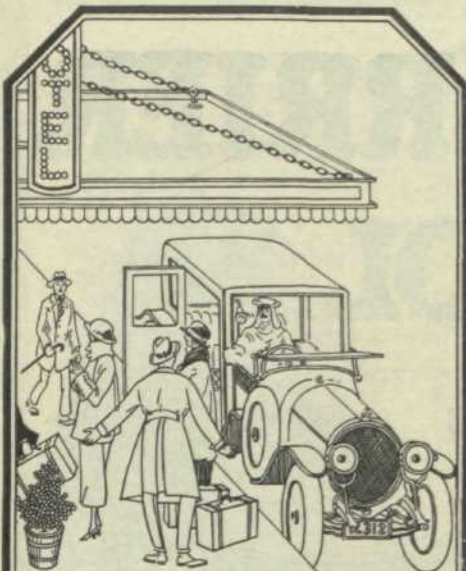
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"The Fun of Knowing Folks"

THE Hon. Fred C. Kelly, once of Xenia, Ohio, permanently of Chevy Chase, Md., and occasionally of Troutdale, Maine, has written another book. Mr. Kelly is familiar to the readers of THE NATION'S BUSINESS. Monthly, like a red lantern, he adorns the rear platform of this magazine.

We put him there on the principle of George Cohan's song, "Always Leave Them Laughing When You Say Goodbye," feeling that the reader who goes straight through the magazine is better for emerging with the agreeable recollection of Mr. Kelly's laughing humor.

At least, we thought that the reason. After receiving a letter from Mr. Kelly about his book we are inclined to think that it was an unconscious understanding of Mr. Kelly's modesty. This is the letter:

DEAR MR. EDITOR:

I am writing to put you on your guard in case my publishers should make an effort to induce you to print a big page review of my new book, "The Fun of Knowing Folks," in an early number of THE NATION'S BUSINESS. There are so many controversial points in the book that I am trying to keep the whole thing quiet and clandestine. But the publisher recently put an advertisement in one of the newspapers, and now it looks as if the fact of its publication might leak out. If you were to print a review, a whole page, I mean, I don't know how I should ever stop the publicity. I wouldn't mention this danger to you except for the fact that there are two or three chapters on business topics, and so you might let slip and make this mistake if I did not warn you in time.

I particularly do not want any reviews occupying a page with my picture in the middle, as that would just rivet people's attention to a funny face and make them read the review, after which it might be practically out of the question to suppress the fact that there is such a book. I'm enclosing the picture that I don't want used, so that there will be no chance of error; and if the worst should happen, I'll know where to place the blame. If you'll only stand by me in this crisis, there is even yet a chance that the book may remain fairly inconspicuous. You know how irritating it would be to one of my shrinking nature to have his authorship noised about.

Fulsomely,

FRED C. KELLY.

But for whatever reasons Mr. Kelly's contributions find their way to the rear of this publication, there is no doubt that they are read. Let Mr. Kelly slip an inch in his cautious scientific researches into the philosophy of business, and readers are down upon us at once. If he undertakes to tell why more brown derby hats are sold on the sunny side of Fifth Avenue than on the shady side and to give the reasons, there is always some cynical soul ready with a "tain't so."

So we know Mr. Kelly is read, and we

have enjoyed reading, and others will enjoy reading "The Fun of Knowing Folks" (A. C. McClurg & Co.). Even the chapter headings appeal:

Drum Major Instincts.
 When We Get Married.
 Liars.
 Human Elements in Color.
 Words You Could Not Do Without.

Did you know that the red-headed girl has more chance to marry than her blonde or brunette sister? So Mr. Kelly asserts, and seems to reason thus:

Men are attracted by the physical traits they lack. More men lack red hair than

lack either light or dark hair. Therefore, more men unconsciously want red-headed women. As plain as can be. Mr. Kelly proved it by asking his friends if they know any unmarried red-headed women and by vainly trying to recall one himself.

But this is a business magazine, and marriage is not within its field, entertaining as Mr. Kelly's philosophy is. Turn instead to Mr. Kelly's chapter on "Words You Couldn't Do Without," or "Everyday Motions," "Getting Acquainted," "Selecting Your Bank," "Whims of Geography in Shopping," and you will find much that will start you thinking on your own ways of doing business, of meeting folks and of buying goods.

Everyone can tell a lie—except the Father of His Country—but not everyone can recognize one when the other fellow tells it. Mr. Kelly has some ideas on that subject, and "Liars" is one of the most interesting chapters in "The Fun of Knowing Folks." What the Psalmist said in his haste, Mr. Kelly says at his leisure and doesn't limit it to all men. Hark to our philosopher:

"Everything else being equal, women are more likely to lie than men."

As to which we have doubts. Further Mr. Kelly says:

"The practice of sending word to an unwelcome caller that one is not at home was instituted by women."

Perhaps, but we have seen things strangely like it right in business offices.

A readable book this, and the temptation to go on quoting is strong, but we recall Mr. Kelly's letter and unwillingly stop.—W. B.

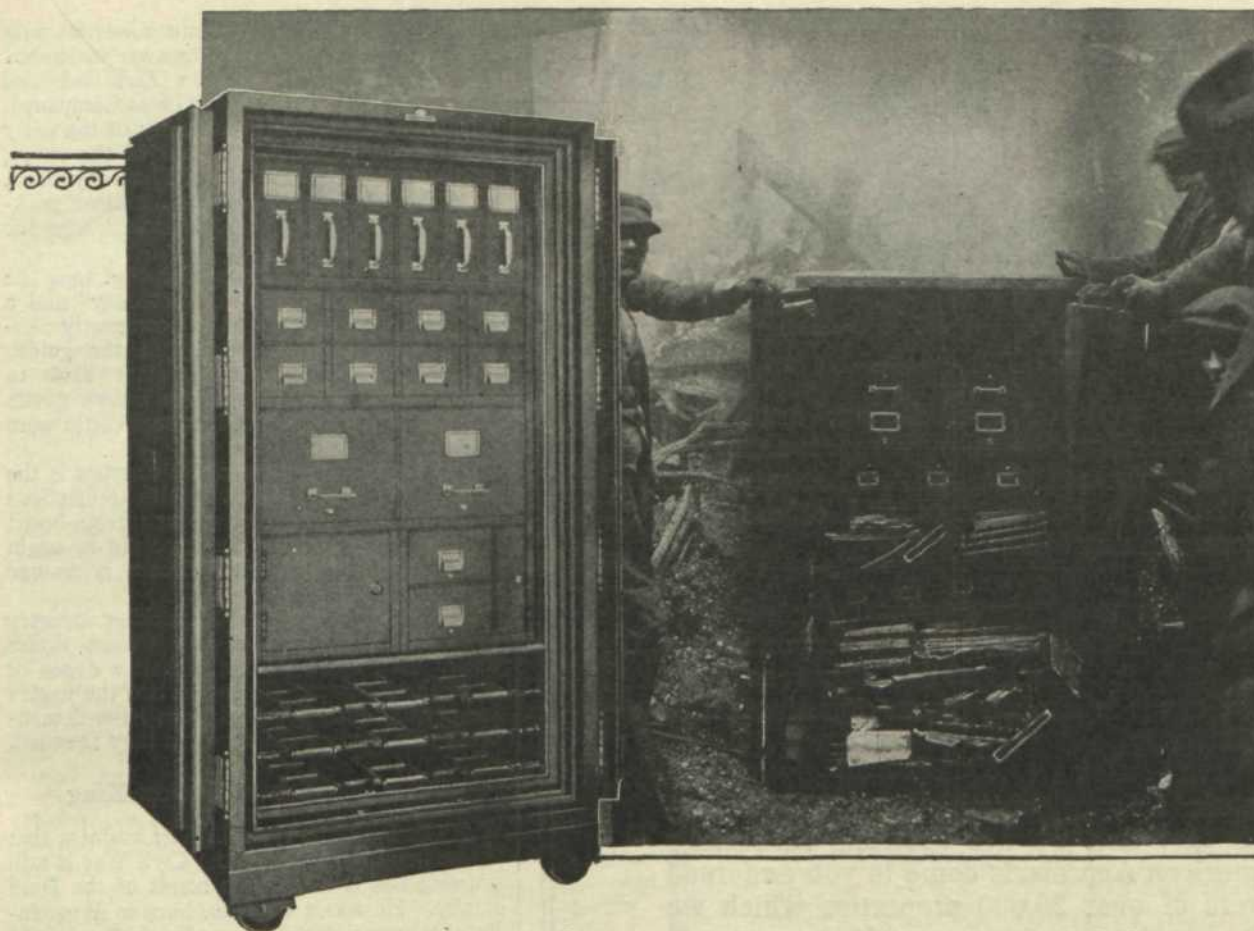
Men Who Made the Packing Industry

IN VALUE of finished product the meat industry leads American business, with petroleum second and automobiles third. Those are the figures of the census of manufacturing of two years ago.

Stockyards and slaughter houses, hides and



The artist has here caught Mr. Kelly in one of his most philosophical moments.



"This safe fell from the second floor face up and was buried in burning debris for two days. It was filled with books of accounts, coordinate sheets and extremely valuable engineering data." Its contents were the only things not destroyed in the fire of the Ernest M. Merrill Engineering Co., Beckley, West Virginia

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Many business men have found the booklet, "Measured Protection" of great interest. We will be glad to send you your copy upon request

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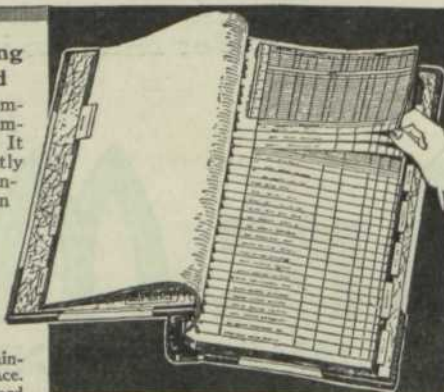
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tallow, bones and blood—can romance walk among these? Turn for an answer to Rudolf A. Clemen's *The American Livestock and Meat Industry* (The Ronald Press Company). There's a fascination in the story of the early days of the industry, the days of the range, or the still earlier days of William Pynchon, of Springfield, Mass., the first American packer, who so long ago as 1662 packed hogs for the West Indian trade.

A far cry from the days when beef took the place of buffalo in the "cow country" and a still farther cry to the compactly organized industry of today. In the golden decade of the cattle trail, from 1869 to 1879, four million cattle were driven north. In 1919 nearly eleven million beef cattle were killed for food.

But what chiefly concerns this review is the manner of man who built up this tremendous industry. Was he American- or foreign-born; did he come from the ranks, or did he begin somewhere near the top? There is no one type.

The men who made the packing industry form a cross-section of the United States itself. Run down the list of half a dozen or so of the pioneers. Of one or two the names are passing out. Most of them have descendants still heading the concerns they founded.

From Peddler to Packer-King

JACOB DOLD is typical. The business that he began long before the Civil War is still growing and is still in the hands of the Dold family. He was a German, born in Wurtemberg, where son had succeeded father in the butcher business for years. Dold came to America in 1848, a young man, and went to work as a butcher. His is the story of America's industrial growth compressed into one man—making sausages and peddling them from door to door, then advancing to the dignity of a horse and wagon. Father, mother and brothers sent for; a building of their own. In a dozen years after the German immigrant lad landed in this country a brick building three stories high was built for the Dold family's sausage business. The rest of the history is one of spreading growth until the Dold business turns out more than 200,000,000 pounds of meat products a year.

There's one picture—the German immigrant, butcher and son of a butcher. Here's another; that of Gustavus Franklin Swift: No newcomer to the land of opportunity was he. The first Swift stepped on the shores of Massachusetts almost on the heels of the Pilgrim Fathers. Cape Cod was soon all but overrun with them. Gustavus Franklin Swift was the eighth in descent from the William Swift who arrived in Boston in 1630. He was fourteen when he started the meat business, becoming apprentice to the local butcher for seven years at \$10 a week. He "bought his time" four years later with a note for \$1,000 and started business for himself. He was thirty-six when he went to Chicago and began to build up the business which bears his name and which his sons still direct. His was the genius that started the dressed-beef industry. And G. F. Swift was as American as it was possible to be.

Another, American-born, was Philip D. Armour. Scotch-Irish and Presbyterian in the background, he began life on a New York State farm. Herman and Joseph and Simeon and Andrew—one by one his brothers joined as Armours reached out, and sons and grandsons still lead in its councils.

Another type, Nelson Morris, born of well-to-do and well-educated parents in the heart of Germany's Black Forest. His father was

ruined and exiled by the revolution of '48; and the boy, eleven years old, landed in Philadelphia in 1851 "without a friend or a dollar" and walked to New York to find a job at \$5 a month. He was the first man to export live cattle to Europe, some forty years ago.

He and Armour were sharp rivals, and Mr. Clemens tells this story:

Two peculiarities of P. D. Armour were that he refused to own more land than he could use, and that his only stimulant was tea. Tea seemed to stir his mind to greater activity. With so much personality and magnetism Armour had few important competitors, but one of the few was Morris, and Armour was unable at times to understand the able Bavarian Jew.

Morris in his early years bought hogs in the yards at 4 a. m., or as soon as it was light. Armour himself was early, but he found as a rule that Morris was ahead of him. Morris was by very energetic methods giving Armour a stiff run, and the situation perplexed the latter. He decided to take active steps to get ahead of his competitor. As a result it happened that one morning at daylight Morris when he arrived at the stockyards, found all the pens empty, for Armour had been going around with his hog-buyers all night hunting up the owners and bulling the market. Morris said nothing, but the next week trainloads of hogs were being shipped to Chicago, consigned to Nelson Morris. He had sent his own agents out into the country and was buying from the producers direct.

Soon after this incident Armour casually met Morris and suggested that they lunch together. Morris agreed, and so they did. Morris ate very little. Both men talked, but said nothing. They were waiting. Although Morris ate little, he drank three cups of tea. Armour insisted on paying the check, excused himself somewhat abruptly, and hurried to his office. He sent for his lieutenants. They came quickly, and Armour said, "Boys, I've just lunched with Nelson Morris. I think we'd better come to an understanding with him as to a few little things we shall do and a few we shall not do—he drinks nothing but tea." But the competition waxed instead of waned as years went on, until in 1923 Armour and Company bought the physical assets of Morris and Company.

If Dold and Morris represented the German pioneers and Armour and Swift the native American, there was another race—the Irish—which figures largely in the foundation days of the packing industry. Kingan and Cudahy are two names that still stick in the industry. Samuel Kingan was a Belfast man who, with two brothers, came to Cincinnati in 1852 and started the business which still bears his name. He was only a temporary American, for he went back to Belfast after sixteen years; but Michael Cudahy was an Irishman only at the beginning. He was a Kilkenny man, coming here with his parents when he was eight and starting at work at fourteen.

German, Irish, Scotch-American and English-American were these half dozen men I have named. Theirs was a large part of the task of creating this industry in which the United States has always led.—W. B.

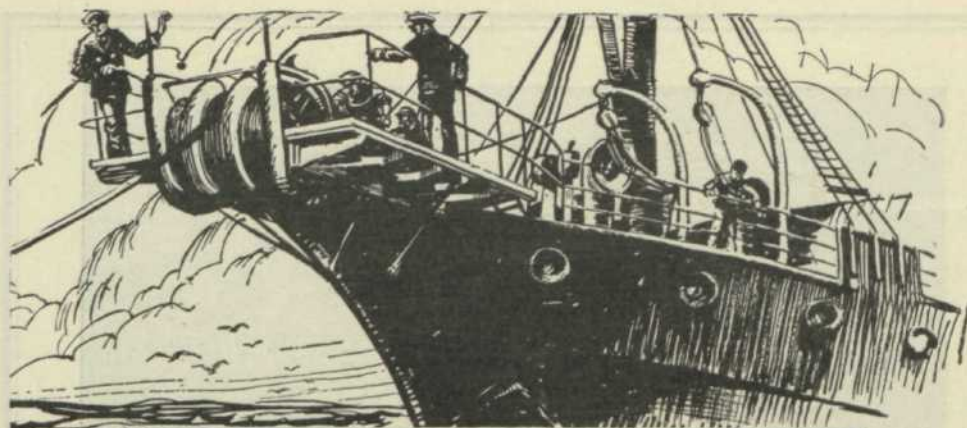
Some Other Business Books

PROBLEMS IN PERSONNEL MANAGEMENT, by Bloomfield. The H. W. Wilson Company.

A collection of papers by specialists on such subjects as "The Cost of Personnel Work," "Job Analysis," "Methods of Promotion," "Foremanship Training," "Lateness and Absence," subjects on which business men more and more are asking questions.

PRINCIPLES AND PRACTICES OF UPKEEP PAINTING, by E. I. du Pont de Nemours & Co., Inc.

Written to help one maker of paints, but full of information for all users of paint and that's everybody. Executives, engineers, plant managers, etc., can have it for the asking.



World's greatest cable now in operation

Landed recently at the Postal Telegraph-Commercial Cables station at Far Rockaway, Long Island, the world's greatest cable is now in operation, establishing the sixth complete cable circuit between the United States and Europe for Postal Telegraph-Commercial Cables. It gives this System a greater cable mileage between North America and Europe than that of any other company.

The new cable is capable of transmitting 1,200 letters per minute—600 in each direction simultaneously—a capacity nearly twice that of any other long cable now in operation anywhere.

This is the first cable to be laid between the United States and Europe since 1910.



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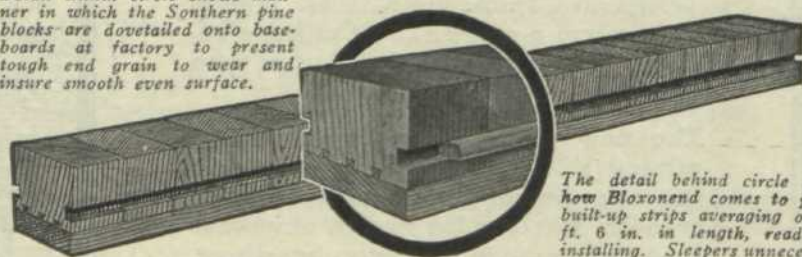
CLARENCE H. MACKAY, PRESIDENT



Worn Concrete Floors? *Ford does this—and Saves Money.*

Instead of wasting time and money patching concrete floors, the Ford Motor Company has found that it more than pays to cover them with Bloxonend Flooring. In its Kansas City Assembly plant (illustrated above) the rough concrete floors were grouted smooth and 14,000 sq. ft. of Bloxonend installed by our lateral nailing method. As Bloxonend comes in long lengths, it lays rapidly and with little interference to operations. Bloxonend means enduring smoothness; it makes the ideal trucking floor. That is the reason Ford has installed 186,000 sq. ft. in 8 plants.

Detail within circle shows manner in which the Southern pine blocks are dovetailed onto baseboards at factory to present tough end grain to wear and insure smooth even surface.



The detail behind circle shows how Bloxonend comes to job in built-up strips averaging over 7 ft. 6 in. in length, ready for installing. Sleepers unnecessary.

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Portland, Oreg.
Chamber of Commerce Bldg.

Chips from the Editor's Work Bench

OIL CLOTH is displacing Turkish carpets. We are told that 50 per cent of the better class of houses in Constantinople are now covered with linoleum. We do not know the softness of Turkish weaves, but we are sure they go beyond linoleum in that quality. Perhaps the change marks a new stiffness in the Turkish posture which has no need to cushion its humility. Certainly no Turkish knee bent at Lausanne.

Time was in this country when tired business men foregathered in malt and vinous oases to seek refreshment. So doing they bent the elbow, but not the knee. Floors or what was on them did not greatly concern those wayfarers. There were higher things to captivate the fancy.

And now the Turk seems to have found use for his elbows, and pushes and jostles his way among the western powers, considerably infected with their utilitarianism. Small wonder that he should put aside the ancient artistry of the carpet weaver for the intense practicalities of the occident. Next we shall hear that he is buying cigarettes from some of our bright young men.

EVERY NOSE for itself! It's time for another garlic harvest in southern Italy, and a bumper crop is assured. Cook-fiends conjure up mighty artilleries of sauces to titillate quivering nostrils and moisten lips of epicures with desire and distracted choice. But let them not temper too strongly their incense with the lusty delight of garlic lest temptation be lost in the ardent uprising of that Samson of savor.

When Satan provided for a temptation in the wilderness, he revealed:

A table richly spread in regal mode
With dishes piled, and meats of noblest sort
And savor; beasts of chase, or fowl or game,
In pastry built, or from the spit, or boiled,
Gris-amber steamed; all fish from sea or shore. . . .

There is no mention of garlic in that princely feast. Explanation of its absence is left to others more learned in culinary lore. But garlic is forward and insistent, and sets up play of the facial muscles. Probably the classic detour of the Roman nose took permanence from habitually sniffing garlic in the winds from Naples. Only a Roman knows.

LO, THE poor Indian, has prospered in Minnesota. The Chippewas have received \$9,413,641 from sales of timber in the last twenty years. A tribal fund is now in the federal treasury, where the white father makes big medicine over money. Timber has outdone wampum in trading with the whites, and the woodsman's axe brings in more treasure than the tomahawk.

WHAT'S in a name? Fresh testimony comes from Yucatan, with ten thousand typewriters reported in the Progreso consular district. All are of American make. Not one European machine, and 90 per cent of the machines bear the trade-mark of one American manufacturer.

Imagine the daily output of that battery of mechanisms, marching in solid pages of pica with the staccato of busy typebars for cadence! A spectacle to fill the eye. An army of business aids with paper for ammunition. Prosaic in its utilitarian aspects, the typewriter has full measure of romance as servant to both Mars and Mercury. What a

Have You Sent for Yours?

A miniature full color Maxfield Parrish reproduction of this painting, "The Spirit of Transportation," appeared in The NATION'S BUSINESS special edition of June 5. We offered to send it in large size, 20 inches by 16 inches, reproduced by a twelve-plate color process, mounted on a heavy art mat ready for framing, sent flat, properly protected and insured against damage in transit, for \$6.00 per print, transportation charges prepaid. Our readers have bought over \$1000 worth of these prints to date. Have you ordered yours? Send remittance with order to NATION'S BUSINESS, Washington, D. C.



civilizing, what a humanizing instrumentality the typewriter, in giving wings to words.

And accessory to the machine is a comely sprite with much skill of finger and more or less concentration of thought. Senoritas are traditionally young and always beautiful. Ten thousand bewitching typewriters in one consular district! Truly a fountain of youth to beguile our old playmate, Ponce de Leon. Dead these many years? Ah, well, we must not pass by Progreso for lack of expert eye. Ahoy, there, Mr. Ziegfeld!

SALES of surgical instruments in south China are increasing. The articles in greatest demand are the plated instruments adapted to hospital use, and suited to the high humidity of the region. That report may reflect the casualties traceable to fractures of law and order, or it may mark simply a normal advance from primitive methods of treating injuries.

From the very beginning of all things violence has taken heavy toll of human flesh and life. Through the ages engines of death have come in great variety of form and scope of operation. They are modern for a day; then obsolescent. Men plan new ways to make away with their fellows. Other men are just as diligent to perfect means and methods to salvage broken bodies. There is no shame in placing the caduceus above the sword and gun.

A MILLION DOLLARS' worth of ginger is exported annually from Hongkong. About 45 per cent of it goes to the United Kingdom, and about 11 per cent to the United States. And to think, \$450,000 worth of ginger taken into John Bull's system every year! Now, we know how he gets that way, as the saying is.

Small wonder that John is up and doing betimes. Filled with ginger, he is not like to let the sun set on the imperial standard. We have carried the banner with less of motive force. A childhood experience with the Jamaica product rates ginger as incendiary matter to light up the farthest reaches of the internal economy. Still, John is not so glowing as he might be. Possibly he maintains his "pubs" by way of insulation against an incandescent waistband.

SELFRIDGE'S, one of London's big stores, has put its waitresses in trousers. The ladies wear white peg-top pantaloons, we are told, with a broad black stripe—and nothing new to report on the English front. Comment on this side finds explanation for the garb in a quest for new publicity and for expediting service in the restaurant. An executive in a New York store does not believe any American restaurant will follow suit because "the waitresses would refuse to wear the costume."

Doubtless the ladies know best about the cut and coverage of their nether garments. It would seem that they have good and sufficient reasons for upholding the skirt with brevity as the whole of fit.

OUR EMINENT and cultured Department of Commerce announces in pica capitals that "POLES CAN'T EXPORT HIDES." So? We once knew a man who made capital of his shirt in courting Dame Fortune across a table top. But hides! They get down closer to fundamentals, and the Polish government says they are not to go overseas for the use of strangers. No, they are to stay in the family, although there may be some swapping among the present owners. Of course the Poles can't export their hides and have them too. A Pole and his hides are not to be parted if the government has its way.—R. C. W.

MEMBER ASSOCIATED PRESS

MEMBER A. B. C.

Cleaner Newspapers

Women of Los Angeles, California, are promoting a movement for cleaner newspapers. Organizations representing more than 300,000 people are backing this movement.

Newspapers of Southern California are being asked to refrain from featuring news of crime and scandal, and from "bannering" morbid and sensational occurrences across their front pages.

In speaking of this movement, Mrs. Wm. P. Cunningham, President of the Woman's City Club of Los Angeles, said:

"With such an illustration of the practicability of clean journalism as has been furnished by The Christian Science Monitor, the organizations promoting this movement are encouraged to believe that the Los Angeles newspapers will cooperate to bring about a better condition of the press."

Since the day it was established, THE CHRISTIAN SCIENCE MONITOR has stood firmly for Clean News and Clean Advertising. Its readers appreciate the kind of advertising, as well as the kind of news, which the MONITOR prints, and it affords them a very real satisfaction to buy goods advertised in the MONITOR.

This fact is well known to hundreds of manufacturers and thousands of retail merchants, the country over, who advertise in THE CHRISTIAN SCIENCE MONITOR because they have proved to their satisfaction its definite and unique value as an advertising medium.

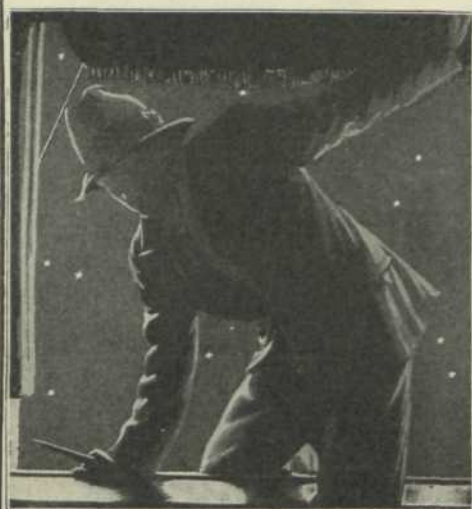
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Real Health Protection is afforded by having a periodical Urinalysis which detects the beginning of most internal troubles. Many of these can be stopped by such simple means as a change of diet.

Our Service gives you Health Protection in the most scientific, effective and economical manner.

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A DISPOSITION to fight the thing through; a distinctly "on-to-Berlin" determination, pervades a large number of the trade papers which went to press just as the anthracite strike was declared.

"If it must be war, let it come!" runs a headline in *The Black Diamond*, and *Iron Age* opens its editorial pages with "Dissolve the United Mine Workers."

The anthracite operators have everything to gain and nothing to lose by sticking to their guns, continues *The Black Diamond*:

Surrender to the union, now or later, means not only Lewis rule in the region, but the ultimate absolute control over every pound of coal that lies under the ground in America. It means the complete surrender of all authority and control, by the anthracite owners, of their own properties. But this is merely incidental. Surrender also means increased costs to the public to the point where the marketing of the coal produced will become exceedingly difficult and the partial destruction of the industry inevitable. Everything to lose! . . . No time in the future is going to be better than the present. If the United Mine Workers continue their present program let this issue be decided now.

That an anthracite boycott is a practical way of forcing the issue is the almost universal opinion. *Coal Age* approves the action of the Federal Fuel Distributor in getting the country ready for a winter without more hard coal than we already have, while the petroleum press naturally suggests oil as a substitute.

It remains, however, for *Iron Age* to go a step farther. Of the proposed boycott it says:

The administration appears wisely to have . . . adopted as its logical course the organization of distribution of bituminous coal as a substitute for anthracite. This is economically and politically sound. If put into effect and loyally supported by the public, as it should be, it will constitute a terrible threat to the anthracite industry, even the risk of extinction.

However, it is, in the opinion of the *Age*, absurd that the public, in the midst of an abundance of anthracite, should not enjoy it simply because the industry will not produce it. The legal advisers of the Government, it believes, would not have great difficulty in finding that the United Mine Workers is an organization inimical to public welfare and illegal in its practices. The United States Coal Commission, it recalls, felt that there was ample authority to punish a conspiracy of operators or miners or both, directed against the general welfare of the people. "If the United Mine Workers is not a conspiracy," inquires the *Age*, "what is?"

It concludes:

It would be a bold and courageous thing now to proceed to dissolve the United Mine Workers as an organization directed against the public welfare, restore the constitutional right of every man to work as he pleases, and remove impediments to the operation of the law of supply and demand, so that anthracite mining might begin to function with the freedom of other industries and let the people have the coal they want, just as they get their iron and copper. If legal authority for such action cannot be found, then Congress should be summoned to enact it.

What Will Be the Outcome Of the Gasoline Price-War?

PREDICTION of utter ruin for the Independents, intimations of impending interference by the Federal Trade Commission, speculation as to the probable action of the Department of Justice and prognostications

as to the place to be given to the petroleum industry by the next Congress echo from trade paper to trade paper as the gasoline price-war continues.

According to *Petroleum Age*, the cut in prices as a result of Governor McMaster's entry into the gasoline market will inevitably result in crushing out the independent companies. "The Tragedy of Victory" is the heading the *Age* gives to an editorial box which runs as follows:

The public likely will be in favor of erecting a monument by popular subscription to Governor McMaster, of South Dakota, for his supposedly great victory over the Standard Oil Company.

And the tragedy of it all is that this victory, if it can be called such, is not over the Standard of Indiana, but the Independents. For if it had not been for the Standard, which has been the last bulwark against a ruinous low price, the public would have been satiated months ago.

The Standard, of course, has to accept the gage of battle. When governors of different states begin to sell gasoline far below the regular price, the Standard must take notice. It can stand the strain of course—the boys who will be ruined are the independent refiners, the marketers and likely the producers.

Somebody ought to tell the public that its glee is a little ill-timed. Explain that because the governors of a lot of states can go out and buy gasoline far below the regular price merely because some refiners, hard pushed for funds, have dumped their product on the market, it does not represent that a tremendous profit is being made by the Standard Oil Company, or anybody else for that matter.

Similarly, *The Inland Oil Index* (Casper, Wyo.):

After the Governor of South Dakota had set the price of gasoline, nothing was left for Standard of Indiana to do but meet competition, and now all branches of the industry stand to lose vast sums, as present prices are below cost of manufacture and distribution. It will result in curtailment of operations in all branches of industry everywhere and in the financial ruin of the weaker refineries and small producers of crude. In the final analysis, Standard Oil interests, having better organizations and greater capital, will emerge from the crisis more strongly entrenched than ever.

Oil Weekly (Houston, Tex.) also foresees bankruptcy for the independent oil jobbers:

There is tragic irony in the gasoline price-cutting war which has broken out in the trade territory of the Standard Oil Company of Indiana. Precipitated by the Governor of South Dakota, but not until after the head of the National Petroleum Marketers Association had urged members of his association to cut prices, the radical reduction in the gasoline price made by the Standard of Indiana can lead to but one end. If the Standard's price is maintained three months it will mean bankruptcy for half of the independent oil jobbers in that territory.

Opinion as to what is to be done to remedy the situation is widely varied. *Automobile Topics* takes note of the flood of petitions for action which have been poured in upon the President, observes the general gubernatorial activity in the Middle West, and comments that the value of the Sherman Act is, in the petroleum field, more psychological than practical. It concludes:

Special sessions of state legislatures are impending in several mid-west states, and some sort of presidential activity is looked forward to by a great many persons interested in the situation. Meanwhile the humble motorist, says an old automobile man, is getting the tank in his garage filled to its capacity, in anticipation

HOTELS STATLER

BUFFALO: 1100 rooms, 1100 baths. Niagara Square. The old Hotel Statler (at Washington and Swan) is now called Hotel Buffalo; and the old Iroquois Hotel is closed, not to re-open.

CLEVELAND: 1000 rooms, 1000 baths. Euclid, at E. 12th.

DETROIT: 1000 rooms, 1000 baths. Grand Circus Park.

ST. LOUIS: 650 rooms, 650 baths. Ninth and Washington.

BOSTON: Now preparing to build at Columbus Ave., Providence and Arlington Sts.

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The rate per day (for one and for two people) of every Statler room is posted permanently in that room, printed in plain figures.

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Personal service can't be trademarked, nor graded as precisely as commodities are graded.

But the quality of personal service *can* be specified, a standard for it *can* be set up, and your satisfaction in buying it *can* be guaranteed.

The Statler-operated hotels do all those things.

The service to guests in these hotels is *defined as to quality* by instructions which govern everybody who gives service:

Instructions to Employees:

1. You *must*, in all dealings with guests or fellow-employees, practice the *golden rule*, and treat him as you would like to be treated if your positions were reversed.
2. You *must*, in every case, satisfy the guest whom you are serving—or, if you cannot do so, when you have gone to the limit of your authority, you *must* refer the case immediately to your superior.
3. You *must* follow the spirit as well as the letter of your detailed instructions, as contained in the

Statler Service Codes and your other printed instructions.

So, with the duties and responsibilities of employees defined as well and as plainly as they are in this organization, this company is undertaking to go a step further than it—or any hotel—has heretofore gone, and publish here and elsewhere this formal

Guarantee of Statler Service:

We *guarantee* that our employees will handle all transactions with our guests (and with each other) in the spirit of the golden rule—of treating the guest as the employee would like to be treated if their positions were reversed. We *guarantee* that every employee will go to the limit of his authority to satisfy the guest whom he is serving; and that if he can't satisfy you he will immediately take you to his superior.

From this time on, therefore, if you have cause for complaint in any of our houses, and the management of that house fails to give you the satisfaction which this guarantee promises, the transaction should then become a personal matter between you and me. You will confer a favor upon us if you will write to me a statement of the case, and depend upon me to make good my promise. I can't personally check all the work of 6,000 employees, and there is no need that I should do so; but when our promises aren't kept, I want to know it.

My permanent address is Executive Offices, Hotel Statler Company, Inc., Buffalo.

Emstatler



Hotel Statler
CLEVELAND



Hotel Statler
DETROIT



Hotel Statler
ST. LOUIS

Hotel Statler, BUFFALO



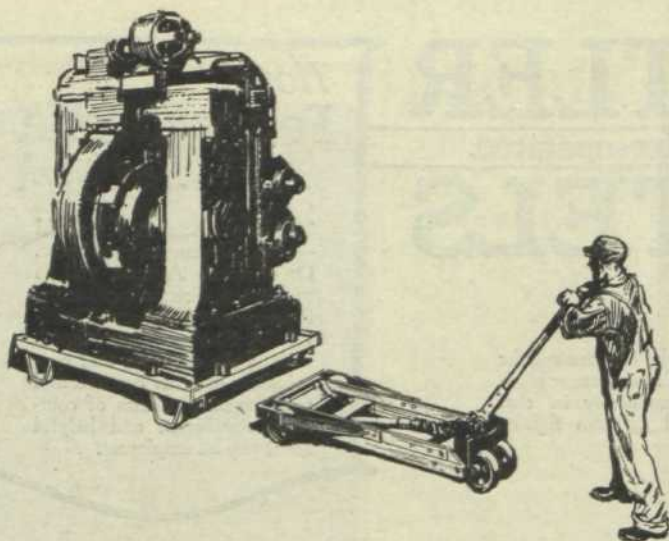
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Hotel Pennsylvania, NEW YORK





There's no re-handling of materials when a Stuebing hauls the load

Here's a surprising fact: The money that is spent for unnecessary handling of materials, when hauled by ordinary four-wheel trucks, will buy Stuebing equipment that will entirely eliminate re-handling.

And not only that. Stuebing Lift Trucks also enable one trucker to do the work of five men with ordinary trucks—an 80% saving of labor.

These figures we quote, however, are based wholly on the use of Stuebing's, which are different from any other lift truck made. The upkeep cost on a Stuebing is practically nil.

Here's an example: The upkeep cost on 98 Stuebing's owned by The Firestone Tire & Rubber Co., of Akron, Ohio, has averaged less than one-half cent per day, per truck, over 4 years.

The heads of the country's greatest industries will tell you that they chose Stuebing's because their phenomenally low upkeep cost is not even approached by any other lift truck made.

Write today for our complete 36-page catalog—a handbook on economies in material handling.

No other lift truck is built like a Stuebing!

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AUDITS AND SYSTEMS

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OFFICES IN OTHER PRINCIPAL CITIES

of the day when those who go down to the highway in motors will have to pay for the current festivities.

That the industry will be the target of the next Congress, and that any congressional investigation made will include all branches of the industry, such as producing, refining, transporting and distribution, is the belief of *Oil Weekly*. In its opinion, however, the reports now being received by the Attorney General are not likely to warrant intervention by the Department of Justice; and while there has been some talk of the Federal Trade Commission's taking a hand, in the situation,

it is learned authoritatively that so far that body has received no complaints from so-called independents within the oil industry. This being the case, it is unlikely that the commission will take any action on the report that some of the larger companies are taking advantage of the present situation to cut prices at certain points in order to injure independent competitors.

Michigan Manufacturer and Financial Record recommends a *laissez faire* policy and expresses the belief that the law of supply and demand will right things if only given an opportunity:

Politicians who are recommending that the cities and villages get authority to go into the gasoline business, presumably to buy gasoline at present prices and peddle it out later at prices lower than those which may then prevail, seem to forget that the very act of buying all the cheap gasoline that there is will make it dear again, perhaps at an earlier date than would otherwise be the case if things were let alone.

A very sanguine view is taken by H. G. James, who, writing for *Petroleum Age*, says that the very fact that the oil men are panic-stricken is to him the most hopeful phase of the situation. He says in part:

As I view the situation now, the outlook is more promising. Here are my reasons: Everything goes in cycles; the refiner has run his course of depression; consumption has overtaken production; refined stocks are being drawn upon; the pipe lines are not taking crude oil from new wells, and this must necessarily reduce drilling; hundreds of operators are hanging up their tools and will do no more drilling until conditions warrant; six big pools have been developed simultaneously—it has been the history of oil that no gusher pool could long maintain a peak output, and already some of these pools responsible for the great over-supply are showing signs of receding. When once they start falling off, they will undoubtedly go rapidly.

Fifty per cent of the refineries of the mid-continent field are shut down. Others are shutting down. The season is so far spent and conditions are such that even if conditions do become more favorable very few of them will be able to resume operations this year. Others have seen the folly of over-supplying the market and will be slow to increase their runs. There is a general disposition to reduce stocks and take no chances on going into the coming winter with gasoline in storage. If this determination in itself is adhered to, it will do more than anything else the refiners have attempted in a long while to quickly bring the business back to normalcy. Some refiners are slowing up on cracking and making more fuel oil and kerosene, there being a tendency to shortage of these products. This will help immensely.

Just as soon as the jobber is convinced the bottom of refined prices has been reached he will come back into the market. In a few weeks his tanks will be empty and he will begin to fill up for winter. Further than this, I am of the opinion we will have a late fall and that the refiner's best months will be October, and possibly November. His best month so far this year was January, entirely a new experience for him. The fear of a let-up in business has about

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passed and now is coming a confidence that prosperity is here to remain for some time. People who have not been buying have been laying up money and they have it to buy automobiles and pleasure.

A cheerful view is also taken by *Oil, Paint and Drug Reporter*, which takes the position that "opportunity is knocking at the door of the petroleum industry with a coal miner's pick," and goes on to say:

Coal is rapidly being replaced by oil as fuel in the heating systems of public buildings, hospitals, and commercial edifices in every city. And again comes the threat of interference with the anthracite, perhaps the entire, coal supply of the country, to offer the petroleum industry an opportunity to step in and put a stop to a recurrent evil with which the public has become surfeited. Will the petroleum industry rise to the occasion, even to the extent of supplying a demand already created? . . .

Let the new slogan of the petroleum industry be: "Oil fuel for the nation." Refining operations readjusted to the newer measure of automotive consumption will provide sufficient and better gasoline and leave considerably more oil for fuel. Heavy crude oils in Arkansas and California and elsewhere are seeking a market. They will furnish still more fuel. Gas oils may well be eliminated from the products of petroleum refining. It costs less to run it to fuel oil, and gas plants will become of greater economic importance if they use bituminous coal—the grade is of little moment—in a modern by-product process. Bituminous coal is not an acceptable substitute for anthracite anyhow.

Oil is the nation's logical fuel. In fuel oil lies the assurance of the petroleum industry's future. There remains but the intelligent revision of productive and distributive practices to be attended to. May this task be approached with better judgment than has recently been manifested.

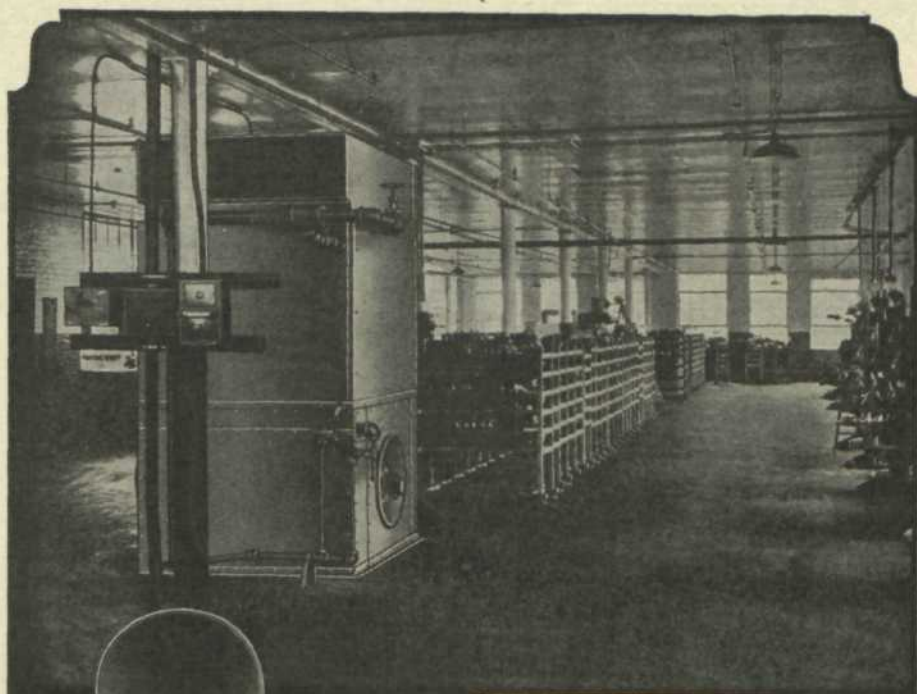
Can America Be Made Safe For the One-Crop Farmer?

OPINION that the agricultural situation will do best if let alone is gradually gaining ground throughout the trade press, and the feeling is growing that the various remedies proposed can afford at best only temporary relief; that with a sensible attention to diversification of crops, increased consumption drives by the "eat more wheat" route and valorization schemes will be unnecessary.

Of the plan to withdraw 200,000,000 bushels of wheat from the market and finance the operation through a loan by the American Farm Federation, *The Annalist* says:

It is unsafe to prophesy, but most certainly the 200,000,000 bushels of wheat would have to be disposed of some day. One cannot pay 5½ per cent interest forever out of prospects. What will be done with the land not sown to wheat next year—the promised prosperous 1924? Will it be allowed to lie idle while interest on the mortgage accumulates, or will it be utilized for some other crop that thereby will be raised in excess of effective demand, necessitating an operation similar to that proposed for the wheat? It was long ago said by a very wise teacher that "man does not live by bread alone," from which it may be deduced that one cannot solve agricultural difficulties by shortening only the wheat crop. The relationship of every other crop and every other industry must be taken into account. For instance, a rise in the price of bread might lead to a rise in the wages of railway men, with a consequent increase in freight charges. That would be one way in which the laborer would realize his dependence on the farmer's wheat for "continued prosperity and happiness," but probably not precisely the method of dependence contemplated by those who listened to the president of the Farm Bureau.

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the simplest principles of economics," are the recipes given for farmer-prosperity, according to *Iron Age*, which goes on to say of the "eat more wheat" campaign:

The suggestion that all of the people of the United States be led to eat more bread is indeed in conformity with the law of supply and demand, but if more bread be consumed than is needful there is a direct invitation to profligacy in living which must be at the expense of the creation of capital goods. The chances are that the townspeople are already eating all the bread they want, wherefore this suggestion is humorous rather than serious. . . .

Curtalement of production is no more practicable in the eyes of the *Age*:

The proposal that the farmers should correct the evils from which they suffer by curtailing their production is made in flat defiance of the economic principle that people live and prosper out of the goods that they produce, unless they divert their attention to something else which probably is not what is intended. Otherwise this suggestion is equivalent to recommending that the American people should determine to live a self-contained existence, abandon their foreign trade, and become poor in goods and comforts, although all expressions in dollars might be written up enormously.

The *Age* concludes:

Other suggestions are that the farmers withhold their surplus wheat, or that the Government buy it, neither of which would ameliorate the situation, as anybody experienced in markets well knows. Finally there has been the posterous suggestion that the Government revert to the war policy of price-fixing. This would be a repudiation of the law of supply and demand that would be about as sensible as a denial of the law of gravitation.

That there is no foundation for the pessimism prevailing among the wheat-growers is the belief of *Manufacturers Record*, which decries also the valorization proposal:

The proposition for the National Government to buy a hundred million bushels of wheat is even more absurd than was the proposition in 1914 for the Government to buy several million bales of cotton. The *Manufacturers Record* vigorously opposed that proposition when it was made in Congress and for the same reason it opposes the suggested purchase by the Government of wheat. The wheat farmer is learning some of the sad lessons which the cotton grower has learned many times in the past, but, so far as the country as a whole is concerned, there is another side to the case. Corn is selling at a high price—almost equal to wheat. The increase in the value of corn will many times offset the decrease in the selling price of wheat.

. . . July 1 last year the average price of wheat was given as \$1.026 per bushel and July 1 of this year \$.951. The difference in price only about seven cents a bushel is entirely too small to justify the rank pessimism of the wheat growing sections of the country.

This may be completely changed later on. Wheat may advance and is more likely to advance than it is to make any serious decline. Corn may decline from the high price and cotton may advance from the low price of the present. None of these figures can be counted upon as of real scientific, statistical value, but they are indicative of conditions which prevail and they show that in all probability the value of the farm crops of this year will largely exceed the total of last year and last year's exceeded by \$2,000,000,000 the total for the preceding year.

There is no foundation for the pessimism that prevails. It is largely a state of mind, and even though conditions are not wholly favorable for the farmers who are not as prosperous as they should be for the best interests of the country as well as for themselves, speaking from a national point of view, there is no justification for the spirit of pessimism which prevails to so

large an extent with the incessant talk about the poverty of the wheat growers.

In agreement that the case of the wheat grower is not altogether hopeless, is *American Lumberman*:

While the present situation is unpleasant, both for the wheat growers and for the lumber dealers and other business men who are largely dependent upon their trade, it is by no means so black as has been painted by over-zealous political friends of the farmer and sensational newspaper writers. Two very important facts have been overlooked in the wave of wheat price hysteria that has been sweeping over the country. In the first place, it should be remembered that in no recent year has wheat represented more than 7 per cent of the total value of the crops and live stock marketed by the American farmer, leaving 93 per cent of his total revenue absolutely undisturbed by fluctuations in the price of the bread cereal. In the next place, it is authoritatively stated that the grain farmers of the country will receive \$500,000,000 more for their crop in 1923 than they received last year, notwithstanding the decline in the price of wheat. It is evident that the American farmer is still a long way from bankruptcy.

The *Lumberman* concludes with a warning to farmers to diversify their crops, and in this *The Breeder's Gazette* joins with an apt observation that "America can never be made safe for the one-crop farmer."

The man who makes wheat his chief, if not only cash crop, whether in the wheat belt or elsewhere, is a gambler. He is sure to lose much oftener and much more than he wins. Specialty farming, so far as any staple world-crop like wheat is concerned, is a highly hazardous system. When to the economic hazards involved in growing wheat there are added the inescapable hazards of drouth, hail and insects, it should be obvious to any thoughtful person that wheat-farming, as commonly practiced in this country, is foredoomed to be a fruitful cause of unrest, dissatisfaction, political animosity and organized, crusading activity among those who follow it.

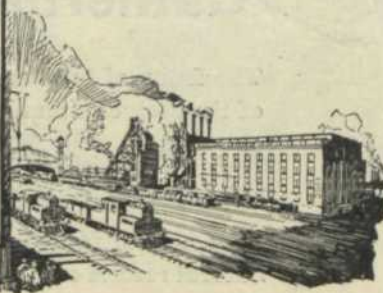
America can never be made safe for the one-crop farmer. He will always be in hot water—and in politics. His extremity will always be the political demagogue's opportunity to be elected to an office. Fundamentally the woes of the one-crop farmer are the fuel and the flame of the farmer-labor party movement.

Political Move or Sound Scheme? Two Viewpoints of Consolidation

PROPOSED plans for consolidation of the railroads continue to invite new measure of the efficacy of suggested modifications of the systems and the groups of lines now in service. An unfavorable view of consolidation by government direction was projected by William G. Bierd, president of the Chicago & Alton Railroad Company, in an address to members of the Kansas City Chamber of Commerce. After sketching the history of legislation affecting the railroads, Mr. Bierd asserted that:

Having seen the government theory waning, but still fearing that they must give the people something to satisfy their complaints, a new school has sprung up, and Congress, fearing this growing "bloc" movement, now tells the people that the real solution is to consolidate the railroads into a limited number of systems, and if done, they promise great economies. They promise fewer railroad presidents; they promise the short routing of freight; they promise the consolidation of terminals; they promise less passenger train service between common centers; they promise reduced soliciting forces; they promise consolidated or unified ticket agencies. This is the remedy they now offer the people.

... this is no more the solution of the railroad question than either of the others mentioned.



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BUSINESS STUDIES

A number of pamphlets are available for distribution by the Chamber of Commerce of the United States. There is given below a list of some of the booklets. One copy of each will be sent free on request. A nominal charge amounting to the cost of printing will be placed on additional copies.

Our World Trade—January to June, 1922.

Free Zones—What They Are and How They Will Benefit American Trade.

International Credits—Referendum No. 1, issued by the International Chamber of Commerce on the application of the Ter Meulen Plan.

The Railroad Situation—Statement of Secretary of Commerce before the Interstate Commerce Commission.

Overhead Expenses—A Treatise on How to Distribute Them in Good and Bad Times.

Depreciation—A Treatment on Depreciation and Production. Why a Merchant Marine—Reasons why privately owned merchant marine is a national necessity.

Commercial Arbitration—Statement of the field of arbitration and draft of plan.

Perpetual Inventory or Stores Control—How to keep investment in materials and supplies down to the minimum consistent with efficient operation.

National Obligation to Veterans—The costs of war borne by the States and the government.

Treaty Ratification—Report of the Committee on Foreign Affairs regarding ratification of the several treaties of the Conference on the Limitation of Armament.

Merchandise Turnover and Stock Control—Knowing what is taking place, while it is taking place. Study by Domestic Distribution Department.

Analysis of the Senate Bonus Bill—Outline of provisions with estimate of cost.

This will be, if carried out to a conclusion, just as great a failure as the other suggestions or methods.

The Transportation Act gave additional power to the Interstate Commerce Commission, and today it has the power to control and direct every one of these promised issues. . . .

. . . this movement if it becomes law is only the first step toward complete government control and then government ownership. The plan is a thorough and complete political movement. The labor organizations will be satisfied with nothing short of government ownership. They are pledged to that theory. They have been winning over many others, because they hold out that golden promise, and say: "See what we have forced to be done for us! This is the power of our political numbers. Congressmen and legislators fear us, therefore you join us; make our organization complete and add your great numbers to ours, and the political victory is won;" and all of this revolves around the one common center—the American railroads.

An Opposite View

AN altogether opposite view is taken by Alexander W. Smith, special counsel, United States Railroad Administration, who, writing for *Shipper and Carrier*, says that "an argument for government ownership and complete control through government operation . . . is, in the abstract, unanswerable," but that "the difficulties of the practical operation of such a tremendous enterprise so far exceed the ordinary functions of government that the machinery for such a performance has not yet been devised, and experts on the subject concur in the opinion that it cannot be successfully devised."

An answer to the riddle of government control and private ownership and operation, he believes, can be found in consolidation, and it remains to work out a plan whereby this can be brought about without invoking the power of eminent domain; that is, by making the change attractive to the owners of these properties.

This might be done, Mr. Smith believes, in this way:

. . . the Government should hold out, as an inducement to the consolidations now deemed absolutely essential to continued private ownership and operation of the carriers, a guarantee of a net return, the minimum of which should not be below the average rate of interest the Government pays on its own obligations.

If the alternative is government ownership this is the amount the Government would not only have to guarantee, but to pay as interest on the bonds it would have to issue to pay for the railroads, and in addition assume all risk of operation. On the other hand, there should be a restriction on the net revenues that should be on a level of average rates of interest paid on private obligations. The excess, if any, over and above the maximum thus allowed should be equally divided between the Government and the owners of the properties.

The hope of realizing earnings in excess of the maximum would inspire that individual genius for organization that is the secret of the great achievements of railroad building and operation in the past, and insure that competition in service that the public expects, and enjoys with more zest than formerly after suffering its loss during federal control.

The amounts realized by the Government from this excess should be placed in a revolving fund that should be used under government control to meet the liabilities that might arise in lean years under the minimum guarantee, and at other times, be employed in the way of loans to carriers for the purpose of improving their plants and equipment.

Furthermore:

In view of the great financial interest thus vested in the United States, the right of taxation

by the states should be limited to ad valorem levies at the same rates and valuations employed in taxing all real property in the respective states, the basis of such valuations to be certified to each state by the Interstate Commerce Commission in equitable apportionment of the total valuation of the respective systems. No other taxes, either state or federal, should be exacted or permitted. Being federal corporations no state regulation should be allowed except for local police and sanitary regulations permitted under the Federal Constitution.

The writer finally concludes with the statement that:

In view of the magnitude of the problem thus outlined, the President should be authorized to represent the Government under the plans approved by the Interstate Commerce Commission in perfecting the consolidations themselves. In overseeing the subsequent activities of these consolidations . . . the President would necessarily have to be authorized to perform these intricate functions through agencies of his own choosing, just as during the war he actually operated the railroads of the country through his personal representative known as the Director General of Railroads. This suggests the further thought that the revolving fund now in existence in connection with the United States Railroad Administration might very well be continued and applied to the purposes hereinbefore outlined with respect to consolidation of these lines and a guarantee of their revenues.

Famous Circus Man Promotes Florida Fair

IN THESE days of national and international fairs and expositions it is interesting to read that a noted showman, John Ringling, has turned his talents for publicity towards a Florida mid-winter fair. According to *Manufacturers Record*:

John Ringling, who is developing his Sarasota Bay front property at Sarasota, Fla., is one of the charter members of the Sarasota County Fair Association. He suggests that the Fair Association make its initial opening in New York City at Madison Square Garden, owned by the Ringlings, and then remove the exhibits back to Sarasota for the annual fair, and to other fairs in the state.

In the opinion of Mr. Ringling, an exposition of Florida's products in mid-winter in New York City when the city is filled with visitors just after the holidays, would be a great attraction. Florida, in the event of such an undertaking, would receive wide publicity because those visiting the show in New York would have brought home to them that Florida is a land of sunshine, flowers and other good things at a time when their land is frozen up and they are slushing around in snow and ice.

Ice Cream Merchants on Job In Winter, Too, Says Editor

AN ENGLISH periodical asks, "Where do ice cream merchants go in the winter-time?" The answer is suggested by the *International Confectioner* with the offer of pertinent testimony that:

Over here we are doing a great deal toward teaching the public that ice cream is as good a food in winter as in summer. Campaigns of education are beginning to bear results in greater winter sales of frozen sweets. But here, too, is the average retailer slow to take advantage of his opportunity. People eat ice cream all winter in hotels and restaurants; it is one of the most popular desserts. They will buy it to be served at home if its purchase can be made easy and economical. The educational campaigns throughout the summer months should be to make the people accept ice cream as a staple article of food. They love it and will eat it at all times if eating it in winter can be made popular by advertising.

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Some Recent Federal Trade Cases

MAINTENANCE of resale price policies through cooperative means is an outstanding charge among the complaints issued recently by the Federal Trade Commission. Cited in the complaints are a hosiery company of Milwaukee, and a manufacturer of collars and a shirtmaker, both of New York. The employment of standard resale prices through the active cooperation of dealers and agents, holds the commission, tends to obstruct free and natural competition in the sale of products affected by specified, uniform resale prices.

Characteristic of the practices described in the charges are the acts alleged against the shirtmaking concern. That concern, asserts the commission, has invited, solicited and received reports from its customers as to the competitors of those customers who have failed to observe the concern's resale prices.

In further definition of its position with regard to resale prices, the commission has issued an order against several dress-pattern companies, all of New York, in which they are prohibited from—

Some subjects considered by cases and complaints described in this article are:

Blankets	Hosiery
Books	Mortgages
Collars and shirts	Paints and varnishes
Dress-patterns	Pens
Glue	Printing

selling securities and in their advertisement prominently displays its corporate name and also uses the word "Federal" with other words. Further allegations are that the concern offers for sale mortgage bonds made and printed in size, design, color and other characteristics closely simulating bonds of the United States Government, with the words "United States" and "Federal" conspicuously displayed and with the real and actual undertaking of the bonds printed in small and inconspicuous type.

Practices of the sort outlined, the commission maintains, have the tendency to mislead and deceive buyers into the belief that the bonds are bonds of the United States Government, or are bonds made and issued under its supervision and sponsored by it, and therefore cause many persons to buy and invest in the mortgage bonds sold by the Detroit concern in preference to securities sold by

its competitors who do not make use of misleading advertisements.

Selling the patterns manufactured by them or any of them, for resale to the public upon any contract, agreement or understanding that the distributor shall maintain the resale price fixed by the maker and/or that such distributors shall not deal in patterns produced by any other maker than the respondents or any of them.

The concerns named in the order are either affiliated through consolidation or by joint stock ownership, and control approximately 40 per cent of the dress-pattern industry, according to the commission.

PROVIDENCE corporation engaged in the manufacture of pens and penholders has been ordered to discontinue the marking of pen points in any manner that might lead the general public to believe that the points so marked are composed of 14K gold when the pens are in fact made of other material. The commission reports a finding that the concern manufactured and sold pens composed of metal other than gold, but finished to resemble gold in color and appearance which were inscribed or stamped with the words "Premo 141 Warranted." That method of marking, the commission declares, is misleading to purchasers and unfair to competitors who truthfully designate the material of which their products are manufactured.

THE USE of the words "United States" in connection with products not made for or under the supervision of the United States Government is again condemned by the commission in a ruling in connection with the advertisement and sale of paints and varnishes which were labeled with words including "United States" or "U. S." and accompanied by a picture of the figure known as "Uncle Sam," a figure popularly identified with the United States. A suitable prohibitory order has been issued to the concerns cited in the complaint.

Another citation in the same direction has been issued by the commission to a bond and mortgage company of Detroit. According to the complaint the concern is engaged in

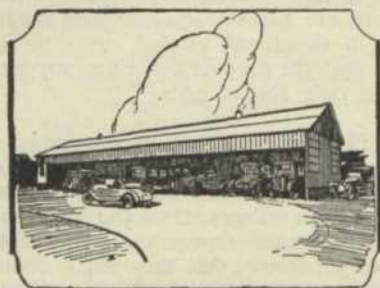
THE GIVING of sums of money or gratuities for the purpose of inducing purchases of products sold by the givers constitutes unfair competition, contends the commission in complaints filed against a New York manufacturer of glue and similar products, and a St. Louis company dealing in insecticides, disinfectants and sanitary appliances. Gratuities from the glue company, it is alleged, are given without the knowledge or consent of the employers of those accepting them, and are unfair to competitors who do not use such methods to obtain business.

Various departments, boards and administrative offices of state, county and municipal governments throughout the United States are included among the customers of the St. Louis company. The commission reports that the company in soliciting business offers and gives premiums or gratuities to public officials whose duty it is to buy supplies for their departments, with the purpose of influencing them to buy the company's products. A further charge is that the amount spent by the company for premiums in whole or in part is added to its cost of doing business, which is ultimately paid out of public funds to the prejudice of the public interests concerned.

IN A FURTHER effort to correct the practice of misbranding products offered for sale to the trade and public, the commission has directed complaints and orders to several manufacturers of paints, varnishes and similar products, with their places of business in or near New York. One concern is said to have manufactured and sold a product not composed wholly of genuine shellac gum dissolved in alcohol under the labels and brands of "White Shellac" and "Orange Shellac" without indicating in any way whatever on such brands and labels that the product contained any ingredient other than genuine shellac gum. Another company is charged with marketing a varnish composed of from 60 to 80 per cent shellac gum, and from 40 to 20 per cent of substitutes for shellac gum, cut in alcohol. This product, the commission says, is branded and advertised as "White Shellac" and "Orange Shellac" without indicating that the var-

They're Leaping Into the Limelight

These Standardized Buildings of Steel, for every purpose, in every industry, are solving the building problem.



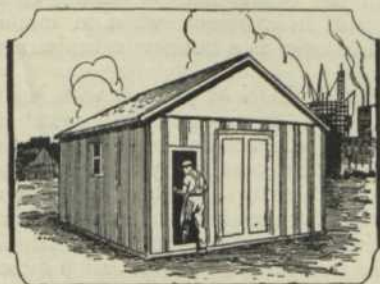
Garages

Big open-side structures for employees' cars, small individual garages, or repair service shops at lowest cost with Blaw-Knox Standard Buildings.



Repair Shops

Machine shops, repair shops, foundries and other factory buildings easily and quickly erected the Blaw-Knox way. You can even move them if you want to, and use them for any purpose.



Tool Sheds

Handy houses for storing tools, to house engines or pumps, or to be used for watchman protection from weather. They cost less the Blaw-Knox way and last for years and years.

MAKING buildings "to order" is another time-honored custom rapidly being supplanted by more economical methods. Costly delays, uncertain prices and big investments in buildings have no place in modern business.

Standard buildings that meet any requirement—that are made in the shop, shipped from stock and up before you know it—have solved the building problem and eliminated uncertainties.

Just as serviceable and satisfactory as the "old" way, yet these Blaw-Knox Standard Structures are the

Lowest-Cost Permanent Buildings

— see how you save —

Made in the shop by machinery, first cost is unusually low. Quick delivery (shipped from stock) you get immediate use. Speedy erection with common labor—here you save some more. Rustproof and leakproof, maintenance cost is low. Economically expanded or subdivided. Varied sizes, limitless combinations, to meet any need.

Copper-bearing steel, completely galvanized, is used in Blaw-Knox Standard Buildings. Patented construction makes leakproof roof and sides and unusual strength and rigidity. Water-tight skylights are another Blaw-Knox feature.

Before you build get prices and plans AND the Blaw-Knox Standard Building Book



Blaw-Knox Company

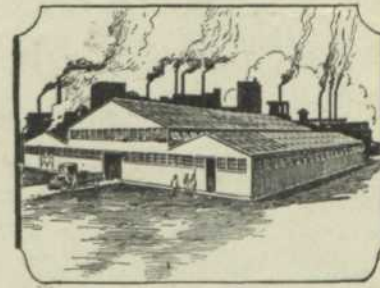
632 FARMERS BANK BUILDING

Pittsburgh, Pa.

New York
Chicago

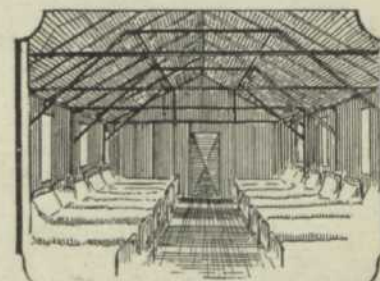
Detroit
Baltimore

London, Eng.
Birmingham



Factory Buildings

Machine shops, forge shops, foundries, warehouses, laundries—whatever your need there's a Blaw-Knox combination that exactly fills the bill. Buy Blaw-Knox Standard Buildings and bank the difference.



Bunk Houses

House men as well as machinery in these standard steel structures. They're leak proof—and offer any arrangement of windows and doors to exactly meet your needs.



Voting Booths

The smaller types of Blaw-Knox Standard Buildings are popular for voting booths. Portability is a feature here. These smaller structures can be moved at will. Their cost is low and they last for years and years.



TYPE A



TYPE B



TYPE BB



TYPE C



TYPE BCB



TYPE CC



TYPE BXB

BLAW-KNOX STANDARD BUILDINGS

Copper-Bearing—Galvanized—Steel

1875 Preferred by Gentlemen of Three Generations 1923

25c.
for
Twenty

RICHMOND STRAIGHT CUT
CIGARETTES

Who are our 118,000 Subscribers? They are executives in 69,854 Corporations*

In these corporations the magazine is being read by the following major executives:

Presidents.....	129,897
Partners and Proprietors.....	7,288
Vice-Presidents.....	13,543
Secretaries.....	13,068
Treasurers.....	6,336
Directors, Chairmen of Boards, Comptrollers, General Counsels, Superintendents and Engineers.....	5,108
General Managers.....	9,424
Department Managers (Branch—Purchasing—Sales —Export, Etc.).....	7,286
Major Executives.....	91,950
Other Executives.....	8,712
Total Executives.....	100,662
All other Subscriptions.....	18,374

If this audience represents a market for your products, we shall be glad to give you complete advertising details

The NATION'S BUSINESS
Washington, D. C.

* Figures based on a complete investigation of all subscribers in twelve cities

nish is not wholly composed of pure shellac gum. A third concern is cited under a charge of selling to jobbers, dealers and the public a product composed of a small percentage of pure shellac gum and, in some cases, no shellac gum whatever, labeled and branded as "Red Devil Shellac" and "Victory White Shellac," representing on the labels and containers that the contents are guaranteed to be pure shellac dissolved in denatured alcohol, with no information that the product contained any gum other than pure shellac gum.

MISREPRESENTATION in the exploitation of school books and encyclopedias is charged against a Philadelphia concern. The commission alleges that the concern's agents and salesmen represented to various prospective purchasers that they might obtain a "cumulative loose-leaf annual service" and an encyclopedia for the price of the service alone when, it is asserted, the price quoted for the service covered the entire expense of both service and encyclopedia. That sort of misrepresentation, the commission believes, is unfair to competitors who do not resort to such methods to obtain customers.

THE USE of a trade name which had been refused under the terms of purchase of a number of trade marks from another company is the basis of a complaint issued against a Philadelphia corporation. The concern cited in the complaint sells blankets, steamer rugs and similar articles, and it is said by the commission to have purchased trade marks that had been used by another company to designate certain blankets, but was refused the right to use the selling company's trade name in the advertisement and sale of blankets. The commission charges that notwithstanding the alleged refusal the purchasing company used the other company's trade name, thereby trading on the selling company's past reputation, and that the use of the name misled and deceived the trade and general public into the belief that the selling company was still in existence, when in fact it had ceased to exist as a business organization.

AN ASSOCIATION of printers with headquarters in Chicago and with members throughout the country has been ordered to discontinue certain practices which the commission contends tend to establish a standard scale of prices for members and non-members in the trade. According to the commission's findings, the members of the association direct and control more than 50 per cent of all the commercial printing in the United States. The commission's investigation developed the fact, it says, that the association installed in the establishments of employing printers a standard cost-finding system, and also distributed to its members and others a loose-leaf book known as the "Standard Guide."

This guide, the findings assert, is compiled in accordance with the average cost of a composite cost statement obtained from members who furnish monthly reports to the association. Also, that the form upon which the reports are presented is used by members who follow the rules and regulations of the association in the use of its cost-finding system; that the price-list committee of the association compiles the guide; that if all printers using the standard cost-finding system and the standard guide adopted the prices unmistakably set forth in the loose-leaf sheets provided by the association, all of them would reach the same price for the same character of printing; that the use of the "Standard Guide" and its revisions is urged upon the members and others by advertising, by letter,

by speeches, and by representatives of the association who are sent all over the United States to show the members and the purchasers of the guide how to use it; and that all non-members using the "Standard Guide" would be likely to reach the same price as members.

The commission's order specifically prohibits the association from:

Conducting its system of education in principles and methods of cost accounting in such way as to suggest any uniform percentage to be included in selling price as profit or otherwise by members or others using such system of cost accounting.

Requiring or receiving from members and others using respondents' uniform cost accounting system, identified and itemized statements of production costs for the purpose of calculating average, normal or standard costs of production and from publishing them to members of the trade generally as a "Standard Price List" or "Standard Guide" or association cost or price list under any other name.

Compiling and publishing for use by members and others in the same trade, average, normal or standard production costs with instructions or suggestions for the translation of such standard costs into selling prices under the name of "Standard Price List" or "Standard Guide" or any other name.

A discussion of the principles involved in this case will be found on the editorial page.

Commercial Secretaries to Meet

THE ninth annual convention of the National Association of Commercial Organization Secretaries will be held at Cincinnati, October 29, 30 and 31, with headquarters at the Hotel Gibson.

The main subjects for discussion include: Chamber of Commerce membership building; keeping members effectively at work; the secretary's day's work and how to organize it; information—how to get it, how to keep it, how to use it; factors in new industrial development and a program for established industries; budgets, collections, expenditures, delinquents; city planning and zoning; how to secure and hold cooperation of civic and luncheon clubs; agriculture—tying agriculture with industry—a business-building program and the business man's viewpoint; a practical result-getting agricultural program and the farmer's viewpoint.

Group meetings are announced for the first two days, and comprehend a wide range of subjects which should be of interest to men in commercial organization work. A complimentary entertainment is to be arranged for Monday night, October 29, by the hotel management.

Reservations for the convention may be made through Jos. F. Leopold, who is the secretary-treasurer of the national association and who may be addressed in care of the Iowa State Chamber of Commerce, Des Moines, Iowa.

Relief for the German Farmer

The German farmer has not been happy in these recent years. Among his other burdens he has had an obligation to sell to the government, at its prices, a portion of his grain. He was a member of an exploited class.

In June the German government transferred the burden to itself, to the farmers' great relief. It undertook to hold a stock of bread grains to use in helping out the poorer classes in the period of bread shortage in Germany. One statistical estimate places the number of Germans who will be entitled to a bread subsidy at 10,000,000.

Pressed Steel Saves over 64 pounds of material out of 78!

THINK of it—over 82% saving in dead weight material was produced for the Gilbert and Barker Manufacturing Company on the pump dome and door pictured here. The cast dome and door weighs 78 pounds—the pressed steel dome and door weighs 13.25 pounds. Besides, the following additional advantages were gained:

1. Greater uniformity of parts
2. Elimination of breakage
3. Increased strength

Can You Afford to Overlook "Pressed Steel"?

The eight hour day in the steel mills is going to make it imperative that iron and steel materials be conserved—that excess weight be eliminated from many iron and steel parts. "Pressing it from steel instead" points the way to you if you are now using any cast parts. Send us a sample or blue print of any cast part—it will cost you nothing to find out whether pressed steel will make a saving for you.

THE YOUNGSTOWN PRESSED STEEL CO.

Main Offices and
Factories
Warren, Ohio

BRANCHES:

NEW YORK—50 E. 42nd St. PHILADELPHIA—Finance Building
CHICAGO—McCormick Building DETROIT—1213 Ford Bldg.

"Press it from
Steel Instead"



Cast dome and door
Weight 78 pounds



Pressed Steel Dome
and Door
Weight 13 1/4 Pounds

Log of Organized Business



\$46,917 LOST EVERY HOUR!

A \$780 fire loss every minute—\$411,000,000 in the last year! The vast majority of this appalling loss of property, and sometimes human life, is *absolutely preventable*.

The **AUTOCALL** Combination Fire Alarm and Watchman's Supervisory Service is the last word in protection. Approved by Underwriters—Accepted by local supervising authorities. Reasonable in price, Thoroughly dependable. Let us explain it to you.

The Autocall Co., 233 Penn. Ave., Shelby, O.

Autocall
Paging Service
Industrial Fire Alarm Service
Watchmen's Supervisory Service



Poorly fabricated and erected piping will cost you money. Even though it be but a few cents a day—in a year's time it will amount into many dollars. Combined with the reduced life of the system caused by numerous repairs, the loss due to poor piping will more than pay for the best.

We have had years of experience in power plant piping and will be glad to work with your consulting engineer. NATIONAL installations have a reputation for endurance and efficiency that exceed, in many instances, original estimates.

Let us render you this service. Send for our catalog "Dimensions for Piping Equipment." It should be in the hands of every one who has to do with power piping.

National Valve & Manufacturing Co.

3100 LIBERTY AVENUE
PITTSBURGH, PA.

Chicago Cleveland New York Indianapolis Philadelphia Atlanta

National

IN ACCORDANCE with the proposal for the authorization of a commission to study conditions affecting the production and sale of wheat, made by Julius H. Barnes, president of the Chamber of Commerce of the United States, to the national wheat conference in Chicago, a joint committee on wheat research of the Wheat Council of the United States and the Chamber of Commerce of the United States has been appointed and is now proceeding to an examination of its problem.

Included in the membership of the joint committee are: Sydney Anderson, of Lanesboro, Minnesota; W. I. Drummond, chairman of the board of directors, International Farm Congress, Kansas City; C. E. Bradfute, president of the American Farm Bureau Federation, Chicago; S. J. Lowell, master of the National Grange, Fredonia, New York; H. D. Irwin, vice-president of the Barnes-Irwin Company, Philadelphia; George O. Jewett, general manager, American Wheat Growers, Associated, Minneapolis; A. J. Brosseau, president, Mack Trucks, Inc., New York.

At its first meeting the committee authorized the following statement:

A careful examination of the evidence submitted to the committee by its statisticians and brought to the initial meeting by the members does not bear out the estimates of huge overproduction that have been so frequently made. While the occasion for proceeding cautiously in the matter of seeding for future production is clear, the committee is of the opinion that many reports of surplus quantities of wheat have been exaggerated. It is not unreasonable to assume that this has exerted depressing effect upon the market.

The committee meets again on September 24 to examine material gathered from a wide range of sources and bearing both upon markets for the present crop and preparations which should be made for the new wheat year.

Farm Land Interests Macon

GEORGIA'S farm problem will be solved if the Macon Chamber of Commerce has its way. The chamber wants the people of the state to lend their hands in the cultivation of 30,000,000 acres of available farm land within a radius of 60 miles of Macon.

To that purpose the chamber has devised a plan to include newspaper advertising throughout the rural districts of Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, and the Dakotas; cooperative arrangements with real estate boards and committees in towns throughout the region; a photographic exhibit with explanatory data showing the rural progress, resources and possibilities of developing the region, and the early completion of soil surveys and the publication of soil maps with chemical analyses.

Inquiries from farmers interested in the chamber's plan of cultivation would receive letters and personal solicitation in behalf of the regional development.

Scranton Trade Board Builds

SCRANTON has obtained a site for her new board of trade building at a price of \$100,000. The lot is 90 feet by 160 feet in dimensions, and has contact with two good business streets. A committee is now considering plans for the structure, which is to house the board of trade and a number of civic organizations.

Preliminary plans for the building, says the *Board of Trade Journal*, provide for several

stores on the first floor, with a lobby, offices, and a restaurant. Provision is to be made for committee rooms, which could also be utilized for private dining-rooms. A large dining-room would be provided, and also another dining-room in which civic clubs could hold meetings and luncheons. Bowling alleys and billiard-rooms are included in the plans. One entire floor will be used for an auditorium with a seating capacity of 2,500.

The desirability of providing office space for lawyers, doctors, dentists and other professional men inclined some members of the building committee to believe that provision should be made for continuing the building beyond the height of the three stories as fixed in one suggestion.

Arizona's Industrial Congress

ARIZONA has organized an industrial congress for the mutual benefit and development of all of her commercial and industrial resources. The congress includes six chief divisions—agriculture, mining, livestock, business and finance, public utilities, and the professions. Each division has three directors in the governing body, and each pays the same proportion of the operating expense. Three directors at large are also elected.

Membership in the six groups includes members of the organizations which form the group. To illustrate, the Arizona Farm Bureau Federation constitutes the division of agriculture; the state bankers and merchants associations constitute the business and financial group.

The first work of the congress was its campaign in behalf of Arizona products, with the slogan "Use Arizona Products." By the end of the first year of the campaign, creameries reported 50 per cent gains in sales, lumber mills were operating at capacity, brick and plaster companies were producing in greater quantities, and more flour was consumed throughout the state.

Through representations of the congress, mining interests guaranteed a bank loan of \$20,000 for improving the methods of commodity distribution, together with devising means for stabilizing markets and providing more efficient production. In the direction of that phase of the work the congress has given its support to cooperative marketing associations. Mining companies, railroad companies and business houses have been outstanding contributors to the success of the "Use Arizona Products" campaign.

Other activities of the congress include the assistance given to organizations seeking railroad rate readjustments, consideration of projects for the development of the Colorado river, and study to secure preservation of the state highway system and to advertise the state for colonization. Reduction of taxes is an important problem before the congress. Political partisanship is excluded from the work of the congress, but it uses its influence to inform the people of the facts regarding state policies and declares for sound business methods in state, county and municipal affairs.

The membership includes organizations, firms, and individual members. A budget is made up at the first of each year to cover in full the operating expenses of the congress. This budget is equally divided among the six main divisions of the congress, and the organization members are expected to raise

To Executives of Corporations—

IN a comparatively short time your magazine has attained a strong position in the publishing field. It is today reaching an audience of over 118,000 business executives, men who are in charge of the larger business organizations of the country.

Already many advertisers and advertising agents recognize The NATION'S BUSINESS as an unusually direct way of placing their sales messages strongly before a great buying audience.

We are proud of the fine character of every announcement in the magazine. We believe these advertising pages are typical of the best appearing in any publication.

If your own corporation sells in the business market you should consider The NATION'S BUSINESS. Ask your advertising manager to apply the same tests to it that he applies to the other publications you are using. Compare its rate with theirs. Compare the market reached with any you are reaching. Compare the character of the audience and its buying power. Compare its directness to the market and the economy represented.

A request will bring complete information to you or your advertising department or your advertising agent.

THE NATION'S BUSINESS
WASHINGTON



will it arrive safely?

RISKS of transportation—accident, theft, breakage—endanger every Parcel Post shipment you make. Insure against loss from lost shipments.

A coupon from a North America Coupon Book wrapped in your package insures it. The stub entry is your shipping record. Claims settled promptly.

**Insurance Company of
North America
PHILADELPHIA**

*"The Oldest American Fire and
Marine Insurance Company"*

MAKING SHIPPING SAFE FOR SHIPPERS

Insurance Company of North America, Third & Walnut Sts., Philadelphia, Dept. N-10

Name _____

Street _____

City _____

State _____

Wants Information on Parcel Post Insurance

Founded
1792



Pin this coupon to your letterhead

Corporate Financing

Arranged for established, successful enterprises, to provide permanent capital for

EXPANSION.

REFUNDING HIGH-INTEREST RATE ISSUES.

REFUNDING MATURING ISSUES.

FUNDING FLOATING DEBT.

ADDITIONAL WORKING CAPITAL.

The scope of our Corporate Financing Service includes careful analyses of the operations and financial requirements of each enterprise; the preparation of plans for financing and the negotiating with the appropriate banking source best equipped to promptly accomplish the underwriting required.

Wm. A. White & Sons

Established 1868

46 Cedar Street
New York City

Our service is rendered for a reasonable charge, previously agreed upon, and to be paid only in the event of the consummation of the sale.

PROPER PRESENTATION TO THE RIGHT BANKING SOURCE IS OF PARAMOUNT IMPORTANCE.

their proportion of the budget. Firm members are requested to pay such amounts as seem reasonable for the benefits which they may expect to derive from the activities of the congress. For the year 1922 individual members were asked to pay \$5.

The congress is managed by its president, under whose direction are an office secretary, a publicity secretary, and stenographers. The congress is not to supplant existing organizations, but is to serve as a clearing house that suggestions for community improvement and development may be received and passed on by executive officers of other organizations.

H. E. O. WHITMAN.

Cow-Testing Plant at Dixon

ILLINOIS provides a notable example of useful cooperation between a chamber of commerce and business enterprise. When the Illinois Holstein-Friesian Association wanted to make tests of cows to determine the yields of milk with reference to the feed, the Dixon Chamber of Commerce raised \$20,000 to establish a testing plant at Dixon, then built the plant and leased it to the association. The *Illinois Journal of Commerce* tells its readers that:

The Dixon plant will accommodate sixty cows. The cows are sent to the plant from two to eight weeks before freshening and are put into good condition. Then the tests are conducted for ten or twelve months and the records made known. The cows are milked four times a day, are fed on the best feeds and made as comfortable as possible.

There are in Illinois 25,000 pure bred Holstein-Friesian cows and only six of them had made 1,000 pounds of butter in one year prior to January 1, 1922.

According to the latest records, the first seventeen cows at the Dixon plant to finish their full year produced an average of 21,076 pounds of milk and 878 pounds of butter in the 365 days.

Many states and many associations have their eyes on the testing plant at Dixon. From the results obtained there it is certain that other chambers of commerce will find here a wide field for splendid service to the community and to the country at large.

Arbitration in Two More Cities

COMMERCIAL arbitration in Brooklyn is now in practice, reports *Brooklyn*, published by the chamber of commerce. An arbitration court has been established by the chamber with rooms in the chamber building. The first case before the court involved a dispute over a lease of property in the Greenpoint section of Brooklyn. The chamber's committee on arbitration has announced that a number of men are ready to serve as official arbitrators in commercial disputes.

A bulletin issued by the chamber of commerce at McKeesport, Pennsylvania, announces that commercial disputes between business men may now be settled by arbitration under the direction of the chamber's committee on arbitration. Complete rules and regulations governing the procedure are now available in pamphlet form to all interested persons.

Plans for a Greater Reading

LOOKING AHEAD twenty-five years, the civic development committee of the chamber of commerce at Reading, Pennsylvania, has recommended twenty-two projects for city development. A recommendation is also made that the city annually appropriate sufficient money to enable the city planning commission to organize an engineering staff

for detailed study of the committee's projects, and to enable it to retain a city planning expert for consultation.

The civic development committee believes that the proposed arrangements would assure a proper and harmonious coordination of the several projects.

New Auditorium for Memphis

ONE of the most important projects now being promoted by the city of Memphis, reports the *Chamber of Commerce Journal*, is the auditorium and market building now under construction. The entire square bounded by Main and Front streets, and Poplar and Exchange avenues, about 335 feet on each street, will be occupied by the building.

The building will have a maximum seating capacity of about 15,000 persons.

It is estimated that to complete the project will require the expenditure of \$1,500,000. The building is expected to be ready for use by April, 1924.

New Paper at Savannah

THE Savannah Board of Trade has begun publication of a bulletin under the name *Savannah*. The purpose of the paper, as outlined in the first issue, is to advance the commercial and public interests of Savannah, to help Savannah grow, and to serve as a contact between the members and the organization.

The paper will be published twice a month. It will carry announcements of meetings of the Young Men's Dynamo of the board of trade, and of committee and other meetings of the workers and members of the board of trade.

Welcome, *Savannah*! The best of fortune to you.

A "Know Dubuque" Campaign

KNOW DUBUQUE urges the Manufacturers and Wholesalers Bureau of that city. By way of informing people of Dubuque's industries and wholesale houses the bureau has planned a program of talks at its meetings.

The program will be supplemented by exhibits in the lobby of the chamber of commerce building. Displays will be changed every week. In addition to the "Know Dubuque" campaign, time will be given for discussion of credits, advertising, salesmanship, distribution and similar subjects.

Awards for Public Health Work

THE American Public Health Association, representing the public-health workers of the United States, Canada, Mexico, and Cuba, has announced that it is planned to offer a series of awards to cities in recognition of their attainment and advancement in community health service. This announcement comes as the result of a study of the health departments of eighty-three of the largest cities in the United States, made by the committee on municipal health department practice of the association.

The status of the health work in different cities will be determined by personal surveys conducted by agents of the association, and they will be rated according to a plan which will be presented for consideration and adoption at the fifty-second annual meeting of the American Public Health Association to be held in Boston, October 8-11.

The first series of awards will be made to cities of a population of 100,000 or more which have the most nearly adequate com-



A Fruit Shipment and Guaranty Service

ONE of our customers recently sent us drafts, with documents attached, covering shipments of fruit. Upon presentation of the drafts, the consignees here refused payment.

In order to save the shippers from possible loss, we placed the goods in cold storage for their account. Upon the shippers' telegraphed instructions, we released samples to parties interested,

with the result that the goods were promptly sold.

This is an illustration of our service in the collection of bill-of-lading drafts. Our organization is equipped to meet not only routine requirements, but also unusual situations, which are inevitable from time to time.

We invite you to send your collections through us. Full details will be sent you by our Collection Department.

Our 100-page booklet, "Guaranty Service," will be sent to executives on request.

Guaranty Trust Company of New York

MAIN OFFICE: 140 BROADWAY, NEW YORK

LONDON

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BRUSSELS

LIVERPOOL

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ANTWERP



ALUNDUM SAFETY TILE MAY SOLVE YOUR STAIRWAY PROBLEM

It makes stairways slip-proof and increases life of each tread.

The Metropolitan Railway Company of London, England, recognizes the economy of equipping station stairways with this Norton Product. Alundum Safety Tile has solved the problem at Wembley Park Station shown here.

For stairways in railroad stations and subways, for ramps and floors around dangerous machinery, in places where foot traffic is heavy and there is the slipping hazard, Alundum Tile will solve the problem.

NORTON COMPANY WORCESTER MASS.

NEW YORK CHICAGO DETROIT PHILADELPHIA
NORTON COMPANY OF CANADA, LIMITED
HAMILTON ONTARIO

T-80

ADVERTISERS tell us that inquiries from NATION'S BUSINESS readers mean business. It helps you as well as us, therefore, when writing to our advertisers, to mention the NATION'S BUSINESS.

munity health service on January, 1924. Similar awards are to be made in succeeding years.

Coming Business Conventions

Date	Place	Organization
Oct. 1.....	Chicago.....	American Incubator Manufacturers Association.
1.....	New York.....	American Institute of Marine Underwriters.
1.....	Des Moines.....	American Life Convention.
1-3.....	Des Moines.....	Grain Dealers National Association.
1-4.....	Pasadena.....	National Selected Morticians.
1-6.....	Detroit.....	Laundry Owners National Association.
first week.	Cincinnati.....	Carriage Builders National Association of the United States.
3-4.....	Chicago.....	Central Supply Association.
3-5.....	New York.....	American Manufacturers Export Association.
4-5.....	Atlantic City.....	National Alliance of Furniture Manufacturers.
5.....	Cleveland.....	Vacuum Cleaners Manufacturers Association.
7-11.....	Des Moines.....	National Association of Stationers and Manufacturers of the United States.
8-week.	Washington.....	Association of Electragists, International.
8.....	Buffalo.....	Association of Limb Manufacturers of America.
8-11.....	New York.....	Barbers Supply Dealers Association of America.
8-week.	Chicago.....	Binder Board Manufacturers Association.
8.....	Chicago.....	Book Paper Manufacturers Association.
8.....	Chicago.....	Cardboard Manufacturers Association.
8-week.	Chicago.....	Cover Paper Manufacturers Association.
8-10.....	Syracuse.....	International Milk Dealers Association.
8-9.....	Chicago.....	National Poultry, Butter and Egg Association.
8-week.	Cincinnati.....	National Restaurant Association.
8-12.....	Kansas City.....	National Tent and Awning Manufacturers Association.
8-12.....	Cleveland.....	National Wholesale Druggists Association.
8-week.	Chicago.....	Tissue Paper Manufacturers Association.
8-week.	Chicago.....	Toilet Paper Converters Association.
8-week.	Chicago.....	Wrapping Paper Manufacturers Service Bureau.
8.....	Chicago.....	Writing Paper Manufacturers Association.
8-12.....	Atlantic City.....	American Electric Railway Association.
8-week.	Atlantic City.....	Glazed and Fancy Paper Manufacturers Association.
9.....	New York.....	Association of Manufacturers of Chilled Car Wheels.
9.....	Cincinnati.....	Poster Advertising Association, Incorporated.
9.....	—	National Association of Glue Manufacturers.
10-11.....	Chicago.....	National Basket and Fruit Package Manufacturers Association.
10.....	Chicago.....	United States Pulp Producers Association.
11.....	Chicago.....	American Paper and Pulp Association.
15-20.....	Atlantic City.....	American Gas Association.
15-18.....	Boston.....	National Coffee Roasters Association.
15.....	Chicago.....	National Varnish Manufacturers Association.
16-18.....	Seattle.....	American Railway Bridge and Building Association.
16-17.....	Chicago.....	Paint Manufacturers Association of the United States.
17-19.....	Providence.....	American Bottlers of Carbonated Beverages.
17-18.....	Chicago.....	Fire Underwriters Association of the Northwest.
17-19.....	Chicago.....	National Paint, Oil and Varnish Association.
18.....	Boston.....	Executive Association of the Wholesale Grocers of New England.
18.....	—	National Association of Steel Furniture Manufacturers.
18-19.....	Chicago.....	Tanners Council of the United States.
22-25.....	Cleveland.....	National Association of Ice Cream Manufacturers.
22-26.....	Chicago.....	United States Independent Telephone Association.
22-26.....	Washington.....	United Typothetae of America.
23-25.....	—	National Petroleum Marketers Association.
23-25.....	New Orleans.....	Southern Logging Association.
24-26.....	Chicago.....	American Trade Association Executives.
24-26.....	St. Louis.....	Direct Mail Advertising Association.
24-26.....	New York.....	Greeting Card Association.
24-26.....	Cleveland.....	National Association of Farm Equipment Manufacturers.
31-Nov. 1.	Boston.....	National Association of Cotton Manufacturers.

DRIVE IN AND OUT OF A WARM GARAGE ALL WINTER



THE WASCO REGULATES ITSELF ALL WINTER WITHOUT ATTENTION

Enjoy the same comfort that tens of thousands did with their WASCO Systems during the past long-drawn-out winter. Because of the patented automatic regulation, no matter how cold the night, your garage is always warm—your car, warm and dry, ready to start.

EQUALLY GOOD FOR TRUCKS

You only put on a little coal once a day. You DON'T touch the drafts. Our patented automatic regulator saves on coal and prevents costly freeze-ups. All cast-iron hot water heater and radiators. Shipped all built—any handy man sets it up. NOT connected to city water.

Write today for Catalogue and price list.

Some good territory open
for live distributors

W. A. SCHLEIT MFG. CO., INC.
337 Eastwood Station Syracuse, N. Y.

Prepare Now for Winter Driving
WASCO
GARAGE HEATING SYSTEM
READY-TO-SET-UP
Also used for heating Offices Stores Cottages



How Much Do Your Office Partitions Cost Yearly?

Office space averages from \$2 to \$3 per square foot. How much of this valuable space do your partitions needlessly occupy?

Globe-Wernicke

Counter Height Filing Cabinets

eliminate all wastage. They form a handsome counter of generous size and serve as partitions between departments.

Save valuable space and increase your office efficiency with Globewernicke Counter Height Filing Cabinets.

Write for Catalog No. 822

The Globe-Wernicke Company
Dept. N. B. 89 Cincinnati, Ohio

Starting a Company?

Save expenses and taxes by organizing on the popular, COMMON LAW plan under a pure DECLARATION OF TRUST. No experience required to fill in DEMAREE STANDARD FORMS, issue shares and begin doing business at once. Genuine DEMAREE FORMS are nationally known, approved by attorneys and utilized by successful concerns throughout the United States. Send for large, free pamphlet (D-14) containing valuable information that you may need. C. S. DEMAREE, legal blank publisher, 703 Walnut, Kansas City, Mo.

Human Nature in Business

By FRED C. KELLY

FOR YEARS I have noticed that the average hotel waiter doesn't ask if I wish to buy a cup of coffee, but rather: "Will you have your coffee now or later?"—assuming that I can't get through a meal without coffee. Waiters evidently have been coached to use all the selling suggestion they can to dispose of coffee. And no wonder! Selling coffee at hotel prices must be extremely profitable. One of the most successful chain store grocery concerns in the country is said to make 42 per cent profit on their annual sales of coffee. Their tea profits are only a paltry 36 per cent. No other item of groceries yields so great a return as either coffee or tea.

"I USED to be prejudiced against college men," a manufacturer told me. "But my observation of men in the army convinced me that I was wrong. You'd think that the best officers would be recruited from shop foremen and others who had had experience in handling men. But the facts were that the most capable officers were men who had never before done any executive work, but had been in college studying logic."



ALL GOOD advertisement writers recognize that people like to read about what they already know. A man who has attended a certain baseball game is more anxious to read the account in the sporting extra than if he hadn't been there. If you witnessed a railway accident and know all the details of it, that nevertheless is the first thing you look for in your newspaper. So it is in advertising. There must be repetition not only of phrases but of pictures, because it is most effective to let people have the pleasure of recognizing that with which they are familiar. When a stage comedian keeps repeating an absurd phrase with just a slight variation in his drawl, to avoid monotony, his remark grows funnier each time until finally the crowd laughs when he merely looks as if he were going to say it. No wonder there is so much repetition in advertising. The familiar phrases are the ones that get the most attention. Too much clever novelty would be fatal.

ONE OF the great advantages that a mail-order house has over most other retail enterprises is that no one's time is wasted. So evenly is the work distributed that everybody has all that he can do all the time—but no more than he can do. Go into a big department store between eight and ten o'clock, and the chances are that many clerks are standing idly behind the counters with little to do, waiting for the real business of the day to begin. Few such stores make any money between eight and ten in the

What's COMING this FALL?

Will business boom—or slump?

How about bonds?

Stocks—up or down?

These vital questions are answered for you in the Babson Barometer Letter, just off the press. It gives you the plain facts on the present situation and forecasts developments this fall that you may see what's coming and govern yourself accordingly. Extra copies of this letter are available for distribution to interested investors.

Tear Out the MEMO—Now!

Babson's REPORTS for investors

MEMO for Your Secretary

Write Babson Statistical Organization, Wellesley Hills, 82, Mass., as follows: Please send, without obligation copy of your Barometer Letter No. K41 and booklet INVESTING, which contains full details of the Babson Method.



ANNUITIES

Secure Highest Guaranteed Income For Life.

\$10,000 Purchases

Age 50 (males)		\$684 Yearly
" 55	"	771 "
" 60	"	889 "
" 65	"	1,050 "
" 70	"	1,255 "

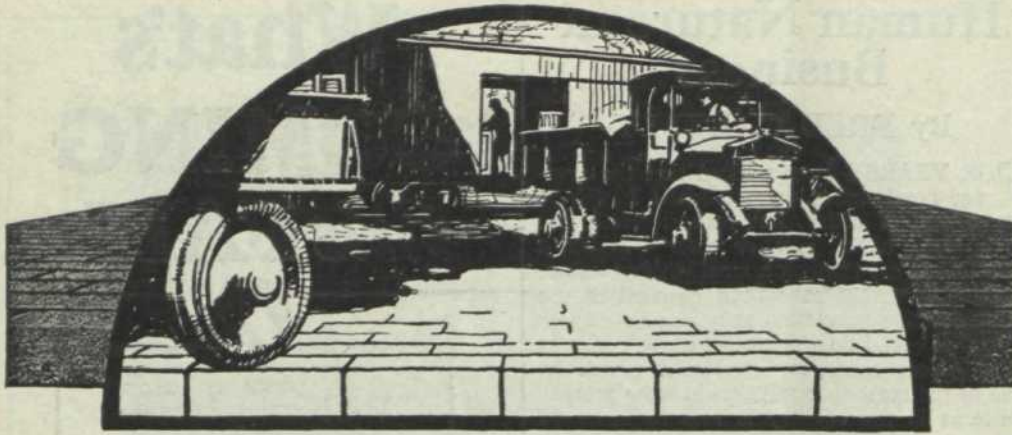
Proportionate income for larger or smaller amount of purchase money.

Payable semi-annually, quarterly or monthly if desired.

Exempt from Federal Income Tax.

Complete Annuities issued by

John Hancock
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS
197 CLARENDON ST., BOSTON



Industrial Driveways

—where heavy trucks on solid tires jolt and pound, where draft horses, delivering and taking away heavy loads strain and lunge—in such places there is just one pavement which, at the right cost, combines long endurance with a smooth yet skid-proof surface—it is the *Vitrified Brick Pavement*.

There are seemingly cheaper substitutes. Nevertheless, when first cost and annual upkeep are figured over the long years of service rendered, vitrified brick pavements invariably prove their economy.

NATIONAL PAVING BRICK MANUFACTURERS ASSOCIATION
ENGINEERS BUILDING CLEVELAND, OHIO

VITRIFIED—Brick PAVEMENTS

MAIN and COMPANY Accountants and Auditors

PITTSBURGH HARRISBURG
NEW YORK PHILADELPHIA

INCORPORATE IN ARIZONA

Least cost. Greatest advantages. Cost not affected by amount of capital. Transact business and keep books anywhere. Stock made full paid and non-assessable by using our forms. Laws, blanks and directions free. Stockholders are exempt from corporate liability.

STODDARD INCORPORATING CO.
DEPT. 3 - - - PHOENIX, ARIZONA

"PHONE" without being overheard



Wonderful sanitary whispering telephone mouthpiece enables you to talk freely without being overheard. Hold secret conversation. Every advantage of a booth telephone. Made of glass, quickly cleaned and washed. Instantly adjusted. Money back if not more than pleased. Sent postpaid for \$1.00.

THE COLYTT LABORATORIES—Dept 7
CHICAGO, ILL.

565 W. Washington Street

DO YOU SELL TO the Railroads, the Automobile Industry, the Shipping Industry, the Oil Industry, the Iron and Steel Industry, the Building and Construction Industry? If your advertising is aimed at any one of the above markets—you will probably find our report on it useful. Ask for it. NATION'S BUSINESS, Washington, D. C.

morning. Yet they must be open, for they could not greatly reduce the cost of the rent, clerk hire, and other fixed items by beginning the day two hours later. Some day, doubtless, some imaginative store proprietor will work out a system of shifts by which there will be on hand at every hour of the day exactly as many clerks as are actually needed. In a measure, this system has already been adopted by many of the larger department stores, and clerks working from eleven to five are paid larger salaries because of their more capable salesmanship than the ones who work the longer hours. Many stores have clerks who come in only on the three busiest days of the week.

HOW MANY advertisers ever take into serious consideration the fact that people's reading habits vary according to the season? I don't mean that we are more likely to read about umbrellas during a rainy season than when the weather is bright and clear, but am referring to reading habits much less obvious.

To begin with, one might think that most reading would be done at the season when the days are shortest and the evenings correspondingly long. If that were true, public library records would show the big reading months to be December and January. But that is not according to the facts. More books are taken from public libraries in late February and the early part of March than in December.

The explanation seems to be that during the season of slush, when it is too late for winter sports and too early for spring activities, reading is about all there is to do. I should rather run certain kinds of advertising then than at any other time. Library records show a demand for much seasonal reading that cannot easily be accounted for. People read far more genealogy in the spring than in the fall, but more astrology in the fall than in the spring. Why? That's just the question: Why?

Conceivably, there may be advertising more potent in the spring or in the fall, even when no reason is evident.

ONCE obtained a job for a young friend as salesman for a big business organization. Several weeks later I asked the young man's boss how he was making out.

"I had to let him go," the employer told me, with a chuckle; "he was a nice young fellow, but too much of a gentleman to make a good salesman. He had been brought up to be polite and agreeable to everybody, and when a possible customer showed no interest in buying he hadn't the heart to disagree and try to convince him that he ought to buy."

THE OBJECT of business courtesy is to make better friends of the people with whom one comes in contact. If a person will adopt the plan of making a better friend of everybody he deals with, he won't have to think anything about whether he is courteous or not.

ADVERTISING is a study in what the modern psychologists call behaviorism. By knowing enough about the human animal, one could predict what response he would make to certain stimuli; also by noting the response, we could tell what the stimuli must have been. We know that a certain percentage of pedestrians will kick at a tin can placed in their pathway. Reversing the process, if we see a man limping and rub-

bing a spot on his leg, we surmise that something has hit him. To take a less obvious example—it is possible to stimulate passengers in an elevator to call out the number of the floors they are seeking, just by yelling out the number of *your* floor. Or if you suddenly remove your hat, nearly everybody else who sees you will do so. In other words, within certain limits, people's behavior is predictable. A full-page advertisement attracts more attention than half a page—but not twice as much attention. The amount of attention an advertisement gets depends not only on its size, but on its phraseology and timeliness. If it were possible for an advertiser to know enough about human behavior, he could forecast the exact return that any advertisement might be expected to make.

ACROSS STREET near a principal thoroughfare in a busy retail section is much less affected by the pressure for space on the main artery than might be supposed. In Cleveland, for example, Euclid Avenue property, on the north side, near a certain cross street, is worth \$5,000 a front foot. But only 200 feet away from Euclid Avenue, property on the cross street would not bring more than \$1,500 a front foot; ordinarily, real estate men say, the influence of a main thoroughfare on the value of property on a cross street, not important in its own right, does not extend more than 200 feet.



ED STROUT, who has sold more farms than any other man in the known world, once had for sale a farm belonging to a miserly old fellow who insisted on a down payment of \$1,000. Strout received a satisfactory offer with the exception that the down payment was only \$500. Feeling certain that the balance would be paid promptly, he was anxious to see the sale go through. But the owner of the farm shook his head. He insisted on \$1,000 before signing on any dotted lines. Then Strout obtained \$500 worth of \$10 gold pieces. He brought these to the office of the miserly chap and poured them out of a sack on a table.

"Here's your down payment," he said. "Do you want it or not?"

The man fingered the coins, fascinated.

"Yes," he finally said. "I'll take the offer. This is gold. It'll buy anything."

"**S**OME of the smartest men I have ever known," says a great merchant, "were criminals. But I have never known a dishonest man who could not have been much more successful if on the square. There is more honesty in business than there is in other things. Big business requires team work on a gigantic scale. Even a dishonest business man wouldn't want a dishonest cashier, a dishonest clerk, or a dishonest secretary, would he? Crooks have to work in squads of one or two, or, at any rate, in such small squads that they can always watch each other."

Safeguard Your Lumber and Timber Purchases

YOUR purchases of lumber and timber are made with the expectation of receiving *full value*, which must include those values placed in lumber during the process of manufacture.

Buyers of Long-Bell lumber and timber have that assurance. The Long-Bell trade-mark is found on the products of a company having years of manufacturing experience and a reputation unsurpassed for dependable, economical lumber products.

One result of this long experience is a rigid adherence to these policies of careful manufacture.

Each log is cut for the purpose for which it is best adapted. Uniform seasoning in both kiln and air-dried stock.

Milled in our own mills, all operating under a uniform process. Lower grades receive the same care and attention as upper grades.

Unsurpassed accuracy and thoroughness at every step of manufacture. Correctly piled and stored—carefully shipped.

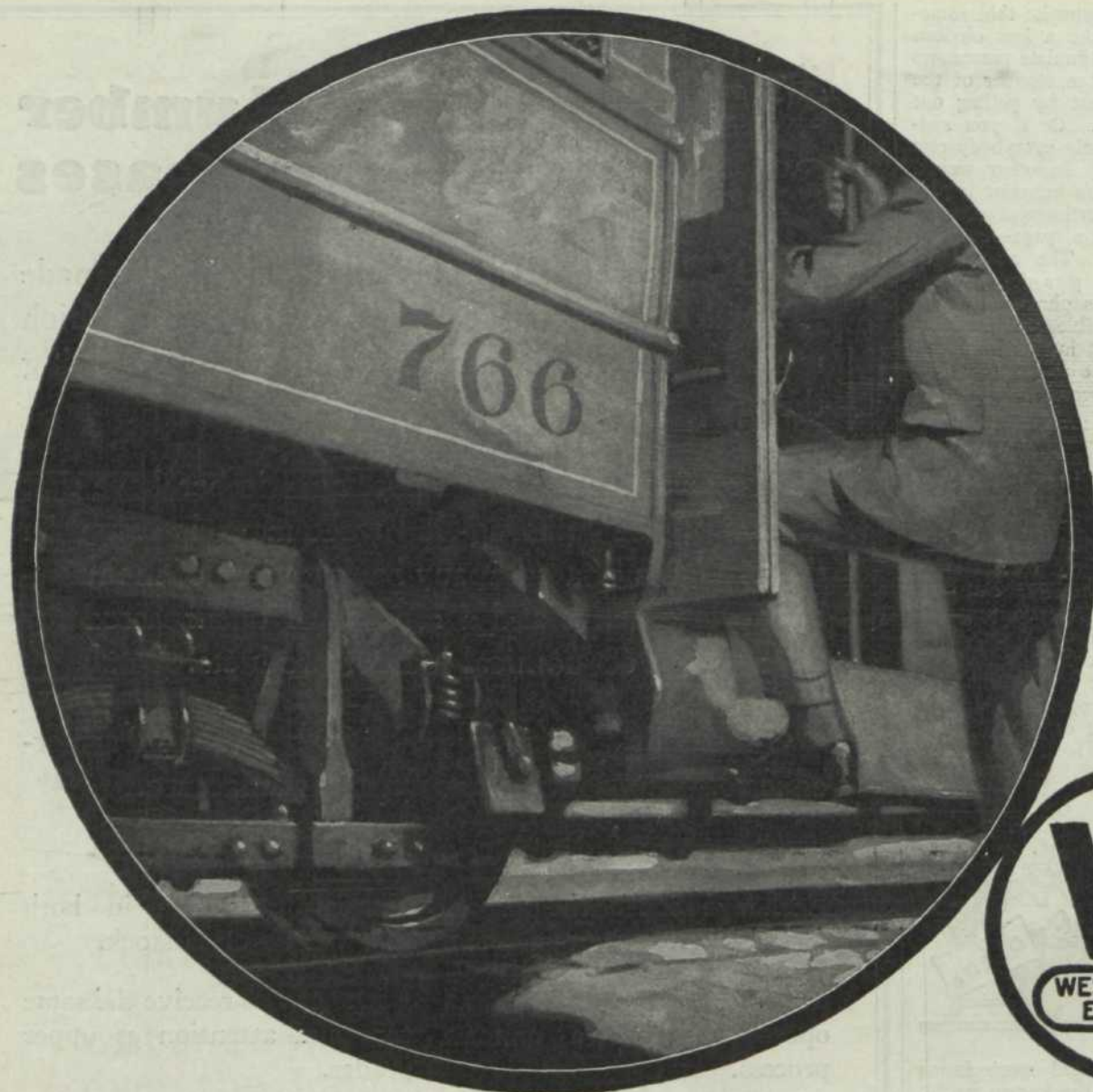
Surfaced four sides. Minimum of carpenter labor—planing, sawing and sorting—necessary to put it into construction.

Full length—uniform in width and thickness in all surfaced stock. Minimum of waste, due to uniform quality.

Uniformity of grading. Tongued and grooved stock fits snugly.

Long-Bell Lumber can be identified by the Long-Bell trade-mark on the end of the piece

The Long-Bell Lumber Company
R. A. LONG BUILDING Lumbermen since 1875 KANSAS CITY, MO.



The Wheels of Progress Are Under Your Street Cars

Progress follows the street car. Community growth and development depend upon it. It is difficult for the individual to advance in a community that is not making progress.

Individuals, Industries, and Communities; all thrive where there is adequate and reasonably profitable street car service—but not otherwise.

No matter where you live or what you

do, efficient street car service vitally concerns you. For if the electric street railway in your community is not getting treatment that is fair and right, it will sooner or later hamper your town's progress and your prosperity.

Westinghouse Engineers have developed apparatus that makes the street railway car the most economical, the most reliable and the safest of all mass transport mediums.

WESTINGHOUSE ELECTRIC & MANUFACTURING COMPANY

Offices in all Principal Cities • Representatives Everywhere

Westinghouse

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